

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER

FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

5. Lease Serial No.
UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA Agreement, Name and No.

8. Lease Name and Well No.
BITTER CREEK 1122-4P

9. API Well No.
43047-39754

10. Field and Pool, or Exploratory
UNDESIGNATED Bitter Creek

11. Sec., T., R., M., or Blk. and Survey or Area

SEC. 4, T11S, R22E

12. County or Parish
UINTAH

13. State
UTAH

1a. Type of Work: ☒ DRILL

☐ REENTER

b. Type of Well: ☐ Oil Well ☒ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone

2. Name of Operator
KERR MCGEE OIL & GAS ONSHORE LP

3A. Address
1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)
(435) 781-7024

4. Location of Well (Report location clearly and in accordance with any State requirements. *)

At surface **SE/SE 530'FSL, 700'FEL**

At proposed prod. Zone **632334X 4415790Y**

14. Distance in miles and direction from nearest town or post office*
38.4 +/- MILES SOUTHEAST OF OURAY, UTAH

15. Distance from proposed*
location to nearest
property or lease line, ft.
(Also to nearest drig. unit line, if any)
530'

16. No. of Acres in lease
1520.00

17. Spacing Unit dedicated to this well
40.00

18. Distance from proposed*
to nearest well, drilling, completed,
applied for, on this lease, ft.

**REFER TO
TOPO C**

19. Proposed Depth
8230'

20. BLM/BIA Bond No. on file
BOND NO. WYB000291

21. Elevations (Show whether DF, KDB, RT, GL, etc.)
5685'GL

22. Approximate date work will start*

23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.

2. A Drilling Plan.

3. A Surface Use Plan (if the location is on National Forest System Lands, the
SUPO shall be filed with the appropriate Forest Service Office.

4. Bond to cover the operations unless covered by an existing bond on file (see
Item 20 above).

5. Operator certification.

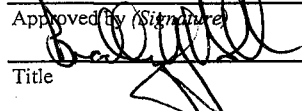
6. Such other site specific information and/or plans as may be required by the
authorized office.

25. Signature


Name (Printed/Typed)
SHEILA UPCHEGO

Date
10/30/2007

Title
SENIOR LAND ADMIN SPECIALIST

Approved by (Signature)


Name (Printed/Typed)
BRADLEY G. HILL

Date
10-24-08

Title
ENVIRONMENTAL MANAGER

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

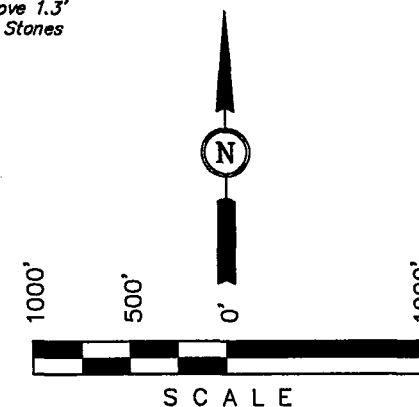
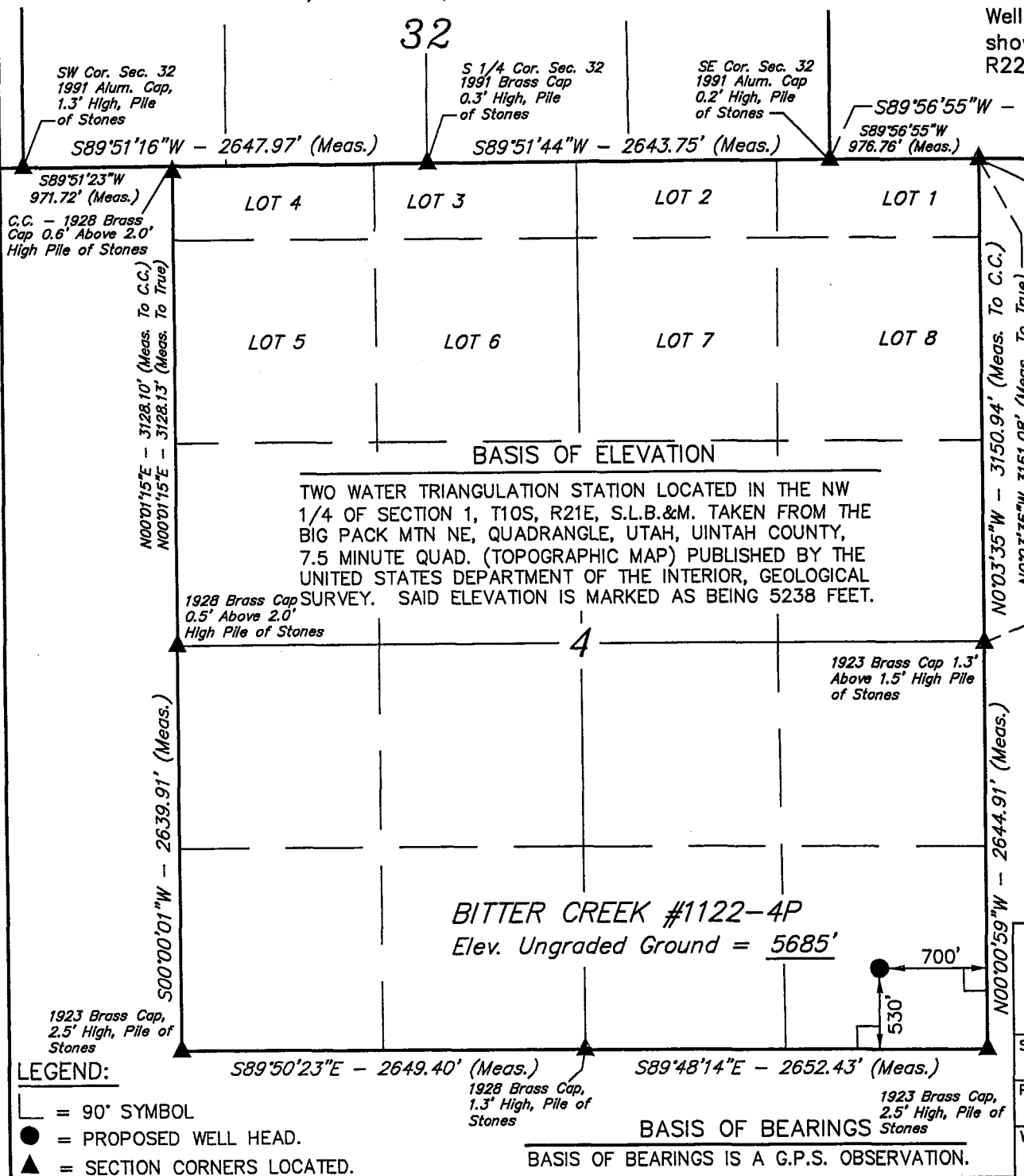
Federal Approval of this
Action is Necessary

RECEIVED
NOV 02 2007
DIV. OF OIL, GAS & MINING

T11S, R22E, S.L.B.&M.

Kerr-McGee Oil & Gas Onshore LP

Well location, BITTER CREEK #1122-4P, located as shown in the SE 1/4 SE 1/4 of Section 4, T11S, R22E, S.L.B.&M., Uintah County, Utah.



(NAD 83)
LATITUDE = 39°53'01.50" (39.883750)
LONGITUDE = 109°27'11.07" (109.453075)

(NAD 27)
LATITUDE = 39°53'01.62" (39.883783)
LONGITUDE = 109°27'08.62" (109.452394)

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT IS PREPARED FROM FIELD NOTES OF ACTUAL SURVEY MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
STATE OF UTAH
NO. 161819
ROBERT L. KAY

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(435) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 06-15-07	DATE DRAWN: 06-22-07
PARTY J.M. S.K. C.H.	REFERENCES G.L.O. PLAT	
WEATHER HOT	FILE Kerr-McGee Oil & Gas Onshore LP	

**BITTER CREEK 1122-4P
SE/SE SEC. 4, T11S, R22E
UINTAH COUNTY, UTAH
UTU-71417**

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. Estimated Tops of Important Geologic Markers:

<u>Formation</u>	<u>Depth</u>
Uinta	0- Surface
Green River	909'
Top of Birds Nest Water	1222'
Mahogany	1543'
Wasatch	3895'
Mesaverde	6229'
MVU2	7166'
MVL1	7747'
TD	8230'

2. Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:

<u>Substance</u>	<u>Formation</u>	<u>Depth</u>
Water	Green River	909'
	Top of Birds Nest Water	1222'
	Mahogany	1543'
Gas	Wasatch	3895'
Gas	Mesaverde	6229'
Gas	MVU2	7166'
Gas	MVL1	7747'
Water	N/A	
Other Minerals	N/A	

3. Pressure Control Equipment (Schematic Attached)

Please refer to the attached Drilling Program.

4. Proposed Casing & Cementing Program:

Please refer to the attached Drilling Program.

5. Drilling Fluids Program:

Please refer to the attached Drilling Program.

6. Evaluation Program:

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 8230' TD, approximately equals 5103 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3292 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.

10. **Other Information:**

Please refer to the attached Drilling Program.



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

COMPANY NAME KERR-McGEE OIL & GAS ONSHORE LP DATE October 25, 2007
WELL NAME BITTER CREEK 1122-4P TD 8,230' MD/TVD
FIELD Natural Buttes COUNTY Uintah STATE Utah ELEVATION 5,684' GL KB 5,699'
SURFACE LOCATION SE/SE SEC. 4, T11S, R22E 530'FSL, 700'FEL BHL Straight Hole
Latitude: 39.883750 Longitude: 109.453075
OBJECTIVE ZONE(S) Wasatch/Mesaverde
ADDITIONAL INFO Regulatory Agencies: BLM (SURF & MINERALS), UDGOM, Tri-County Health Dept.

GEOLOGICAL FORMATION			MECHANICAL		
LOGS	TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'		14"	
			12-1/4"	9-5/8", 32 3#, H-40, STC	Air mist
Catch water sample, if possible, from 0 to 3,895' Green River @ 0,909' Top of Birds Nest Water @ 1222' Mahogany @ 1,543' Preset f/ GL @ 1,800' MD					
Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth may be ±200' of the estimated set depth depending on the actual depth of the loss zone.					
Mud logging program TBD Open hole logging program f/ TD - surf csg					
	Wasatch @	3,895'	7-7/8"	4-1/2", 11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.2 ppg
	Mverde @	6,229'			
	MVU2 @	7,166'			
	MVL1 @	7,747'			
	TD @	8,230'			Max anticipated Mud required 11.2 ppg



KERR-McGEE OIL & GAS ONSHORE LP **DRILLING PROGRAM**

CASING PROGRAM

	SIZE	INTERVAL	WT.	GR.	CPLG.	DESIGN FACTORS		
						BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'				2270	1370	254000
SURFACE	9-5/8"	0 to 1800	32.30	H-40	STC	0.76*****	1.63	4.99
						7780	6350	201000
PRODUCTION	4-1/2"	0 to 8230	11.60	I-80	LTC	2.61	1.32	2.41

- 1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)
2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)
(Burst Assumptions: TD = 11.2 ppg) .22 psi/ft = gradient for partially evac wellbore
(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)
MASP 2983 psi

***** Burst SF is low but csg is much stronger than formation at 2000'. EMW @ 2000' for 2270# is 21.8 ppg or 1.13 psi/ft

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE Option 1	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
	TOP OUT CMT (1)	200	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	50		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE Option 2	LEAD	1500	NOTE: If well will circulate water to surface, option 2 will be utilized Prem cmt + 16% Gel + 10 pps gilsonite + .25 pps Flocele + 3% salt BWOC	170	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.16
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	3,390'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	370	60%	11.00	3.38
	TAIL	4,840'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1350	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____

Brad Laney

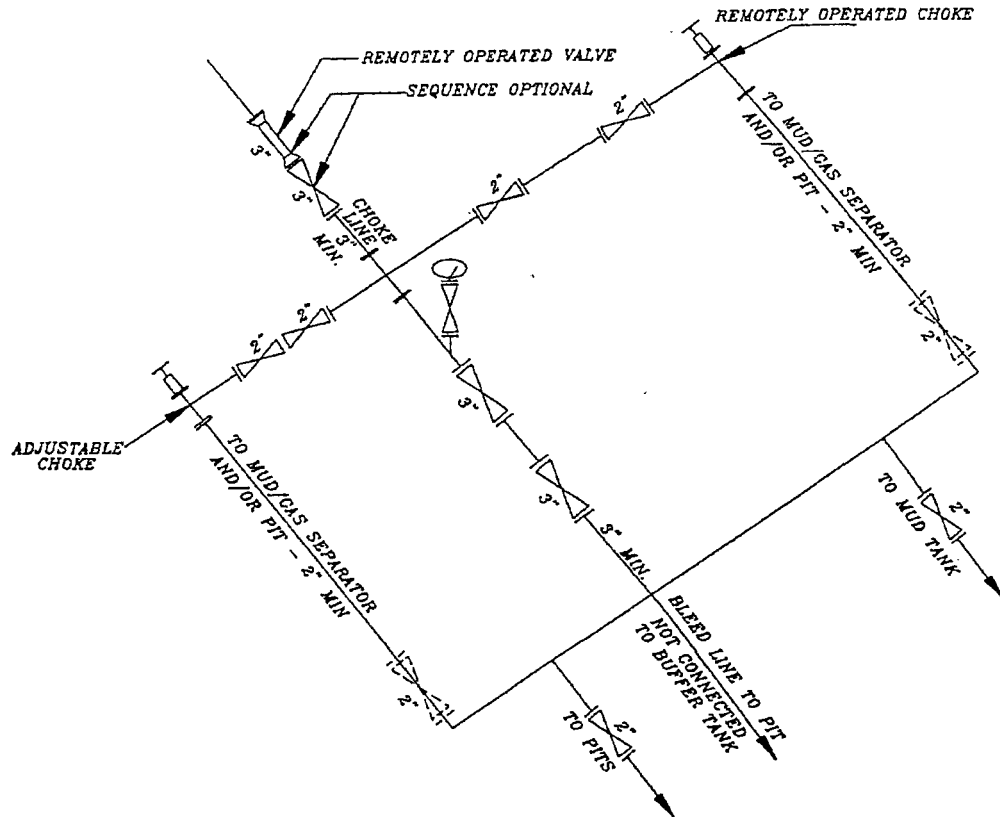
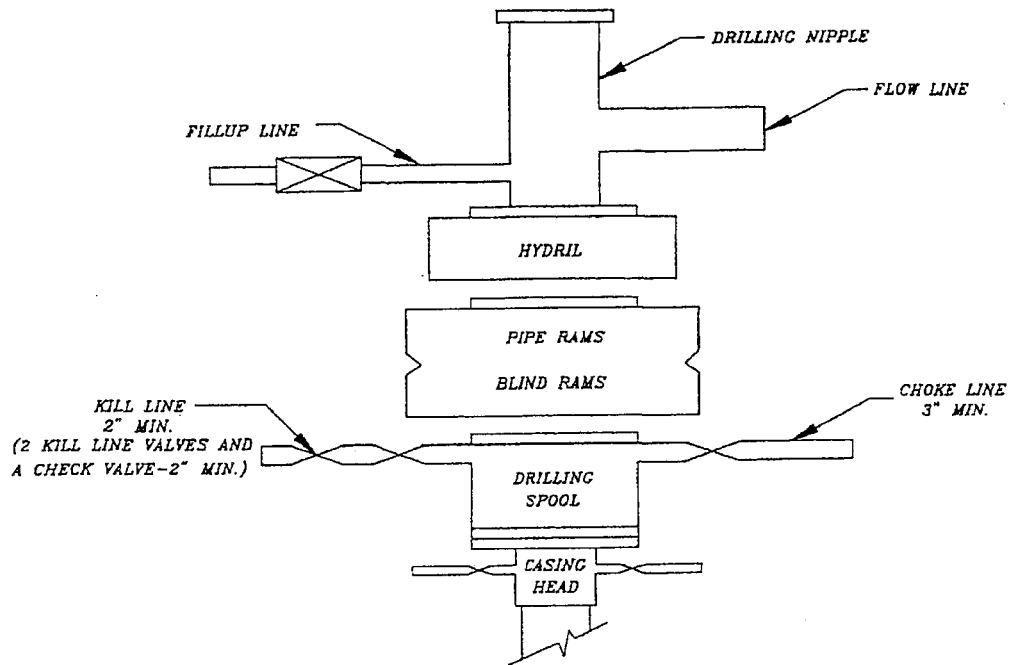
DATE: _____

DRILLING SUPERINTENDENT: _____

Randy Bayne

DATE: _____

5M BOP STACK and CHOKE MANIFOLD SYSTEM



**BITTER CREEK 1122-4P
SE/SE SEC. 4, T11S, R22E
UINTAH COUNTY, UTAH
UTU-71417**

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. Existing Roads:

Directions to the proposed location are attached.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. Planned Access Roads:

Approximately 290' +/- of access road is proposed. Refer to Topo Map B for the access road.

The access road will be crowned (2 to 3%), ditched and constructed with a running surface of 18 feet and a maximum disturbed width of 30 feet. Graveling or capping the roadbed will be performed as necessary to provide a well constructed, safe road. Prior to construction or upgrading, the proposed road shall be cleared of any snow and allowed to dry completely.

Surface disturbance and vehicular traffic will be limited to the proposed location and proposed access route. Any additional area needed will be approved in advance. All construction shall be in conformance with the standards outlined in the BLM and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development. 1989.

The road surface and shoulders will be kept in a safe and usable condition and will be maintained in accordance with the original construction standards. All drainage ditches will be kept clear and free-flowing and will be maintained according to original construction standards. The access road surface will be kept free of trash during operations. All traffic will be confined to the approved disturbed surface. Road drainage crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing or shall the drainages be blocked by the road bed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Should mud holes develop, they shall be filled in and detours around them avoided. When snow is removed from the road during the winter months, the snow shall be pushed outside of the borrow ditches, and the turnouts kept clear so that snowmelt will be channeled away from the road.

3. Location of Existing Wells Within a 1-Mile Radius:

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities & Pipelines:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The requested color is Carlsbad Canyon (2.5 Y 6/2) as determined during the on-site inspection.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Variances to Best Management Practices (BMP) Requests:

Approximately 329' +/- of 4" steel pipelines shall be installed to the proposed location. Refer to Topo Map D.

The pipeline will be butt-welded together. The pipeline shall be installed on surface within access corridor for the well location. As a Best Management Practice (BMP), the pipeline would be buried within the access road corridor if possible. The construction of pipelines requires the corridor of 30 feet.

This exception to the BMP should be granted by the BLM Authorized Officer because indurated bedrock, such as sandstone, is at or within 2 feet of the surface and the soil has a poor history for successful rehabilitation.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec.32, T4S,R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner is to be used as discussed during on-site inspection. It will be a minimum of 20 mil thick and felt with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled by truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec.35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E. (Request is in lieu of filing Form 3160-5, after initial production).

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. **Plans for Reclamation of the Surface:**

Producing Location:

Interim Surface Reclamation Plan:

When the pit is backfilled within 180 days of well completion, the operator shall spread the top soil pile on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The operator will reseed the area using the BLM recommended seed mixture and reclamation methods.

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

When the pit is backfilled, the topsoil pile shall be spread on the location up to the rig anchor points. The location will be reshaped to the original contour to the extent possible. The following seed mixture will be used to reclaim the surface for interim reclamation using appropriate reclamation methods. A total of 12 lbs/acre will be used if the seeds are drilled (24 lbs/acre if the seeds are broadcast). The per acre requirements for drilled seeds are:

Galletta Grass	10 lbs.
Needle and Thread Grass	10 lbs.
Indian Ricegrass	10 lbs.

The operator shall call BLM for the seed mixture when final reclamation occurs.

11. Surface Ownership:

United States of America
Bureau of Land Management
170 South 500 East
Vernal, UT 84078
(435) 781-4400

12. STIPULATIONS:

WILDLIFE STIPULATIONS:

ANTELOPE: No drilling or construction from May 15th – June 20th.

SAGE GROUSE: No drilling or construction from March 1st – June 30th.

13. Other Information:

A Class III Archaeological Survey has been performed the report will be submitted when the report becomes available.

The Paleontological Reconnaissance Survey has been performed will be submitted when report becomes available.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance. The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

13. Lessee's or Operators's Representative & Certification:

Sheila Upchego
Senior Land Admin Specialist
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435) 781-7024

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Westport Oil & Gas Company agrees to be responsible under the terms and the conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for the lease activities is being provided by BLM Nationwide Bond #WYB000291.

I hereby certify that the proposed drill site and access route has been inspected and that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.


Sheila Upchego

October 30, 2007
Date

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-4P
SECTION 4, T11S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 11.2 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 10.7 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.9 MILES TO THE BEGINNING OF THE PROPOSED ACCESS ROAD TO THE NORTHEAST; FOLLOW ROAD FLAGS IN A NORTHEASTERLY DIRECTION APPROXIMATELY 280' TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 55.8 MILES.

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-4P
LOCATED IN UINTAH COUNTY, UTAH
SECTION 4, T11S, R22E, S.L.B.&M.

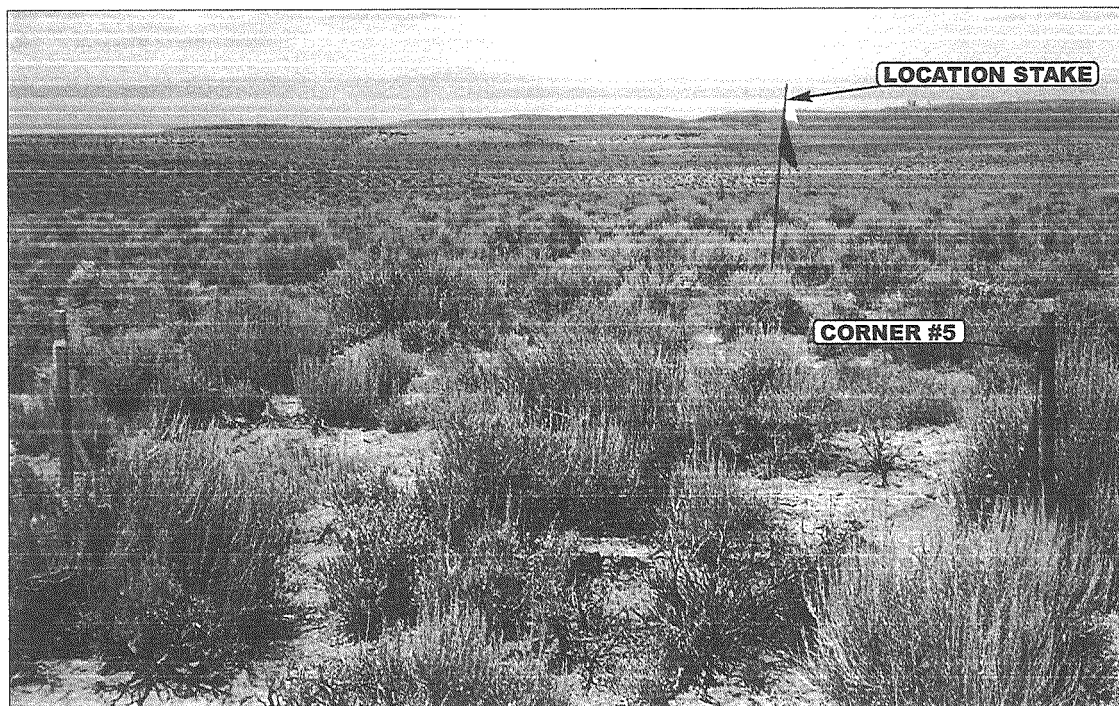


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHERLY

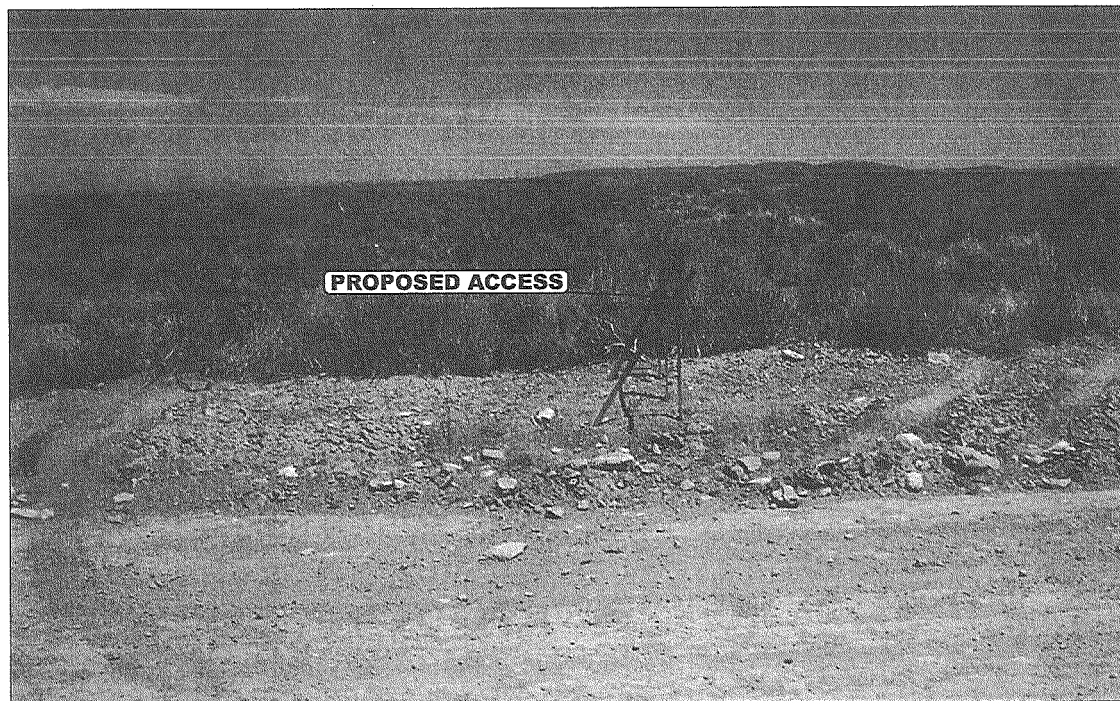


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

LOCATION PHOTOS

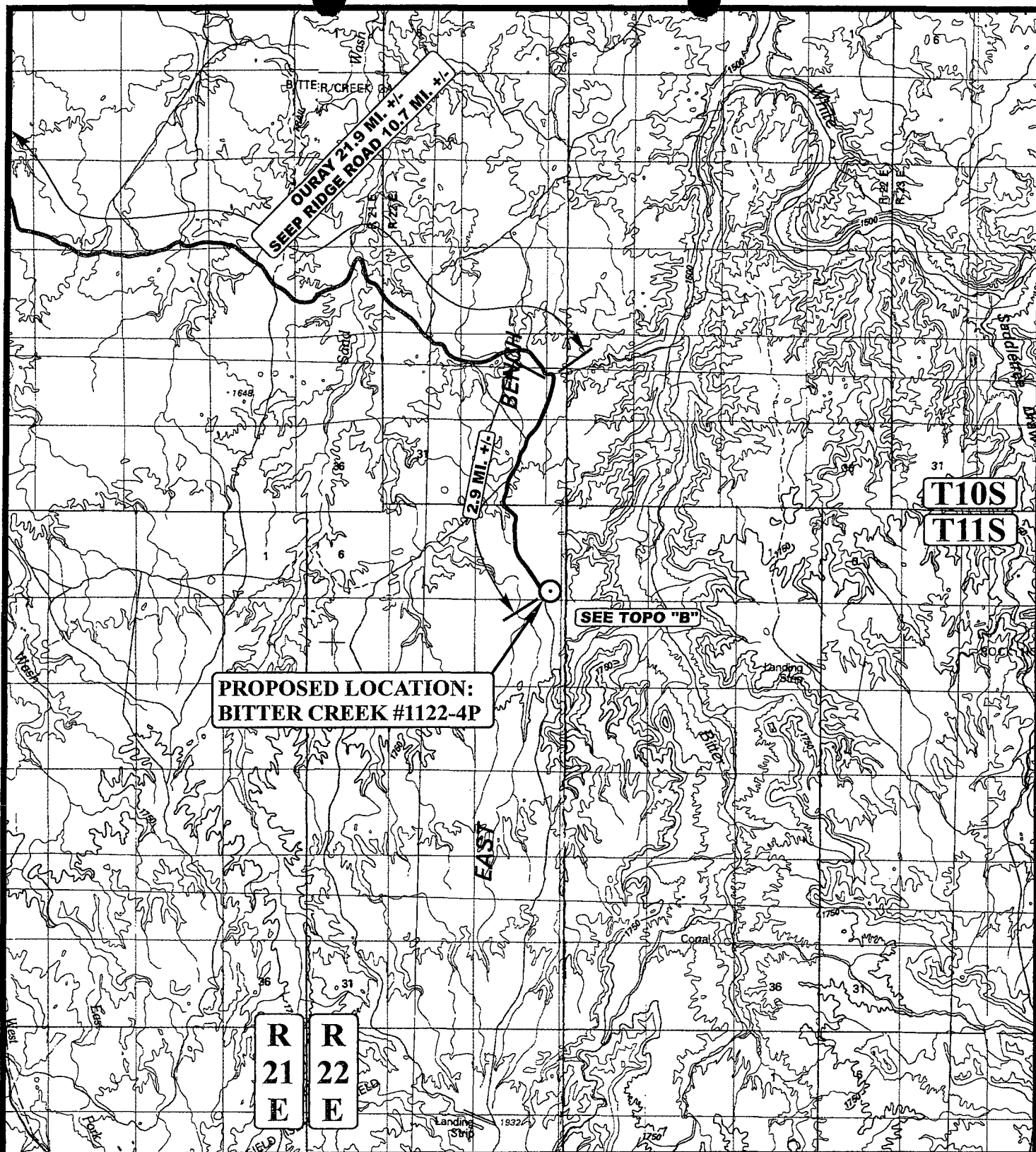
06 19 07
MONTH DAY YEAR

PHOTO

TAKEN BY: J.M.

DRAWN BY: C.P.

REVISED: 00-00-00



LEGEND:

○ PROPOSED LOCATION



Kerr-McGee Oil & Gas Onshore LP

BITTER CREEK #1122-4P
SECTION 4, T11S, R22E, S.L.B.&M.
530' FSL 700' FEL



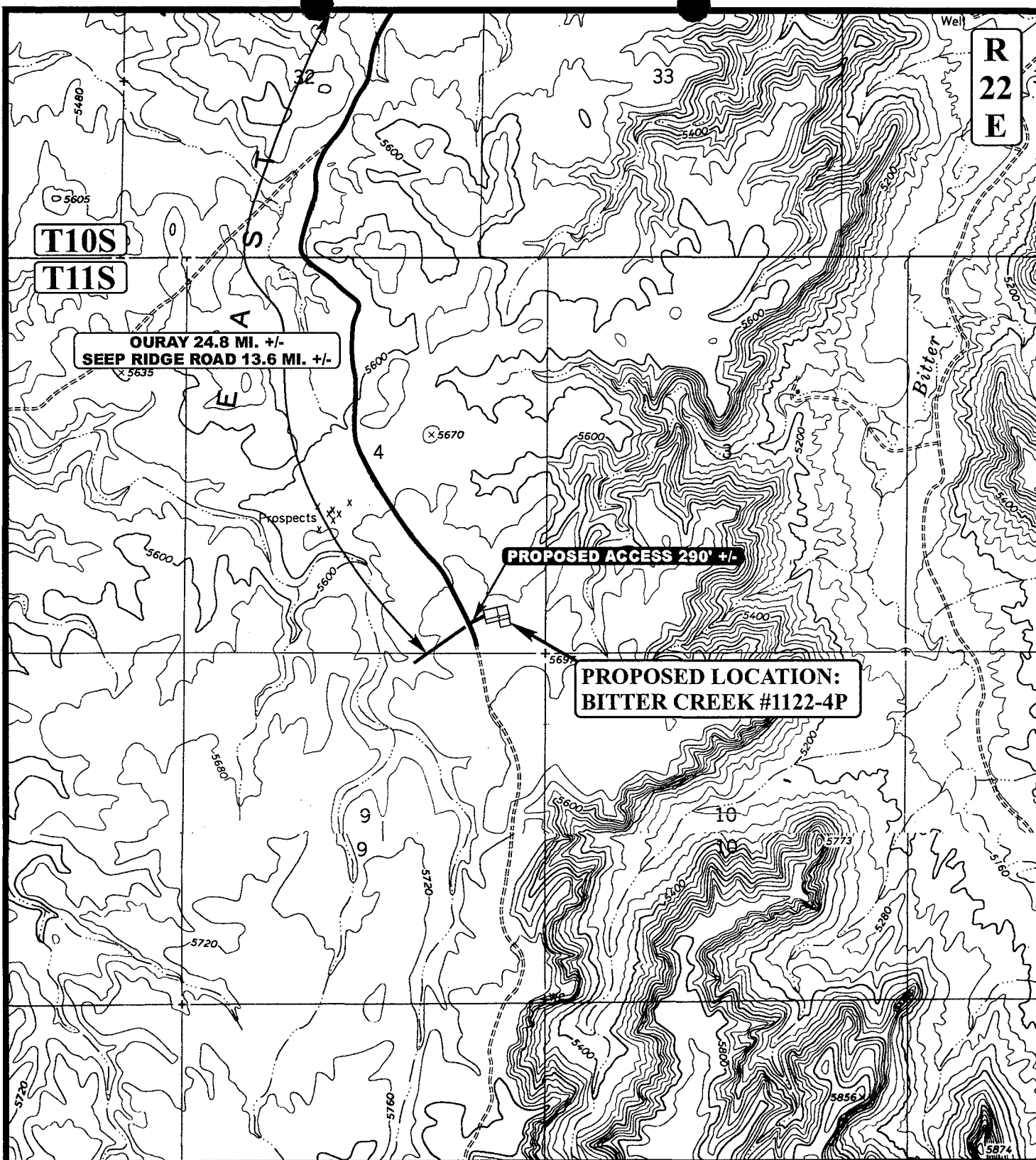
Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC
MAP

06 **19** **07**
 MONTH DAY YEAR

SCALE: 1:100,000 **DRAWN BY: C.P.** **REVISED: 00-00-00**





LEGEND:

EXISTING ROAD
 PROPOSED ACCESS ROAD



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



Kerr-McGee Oil & Gas Onshore LP

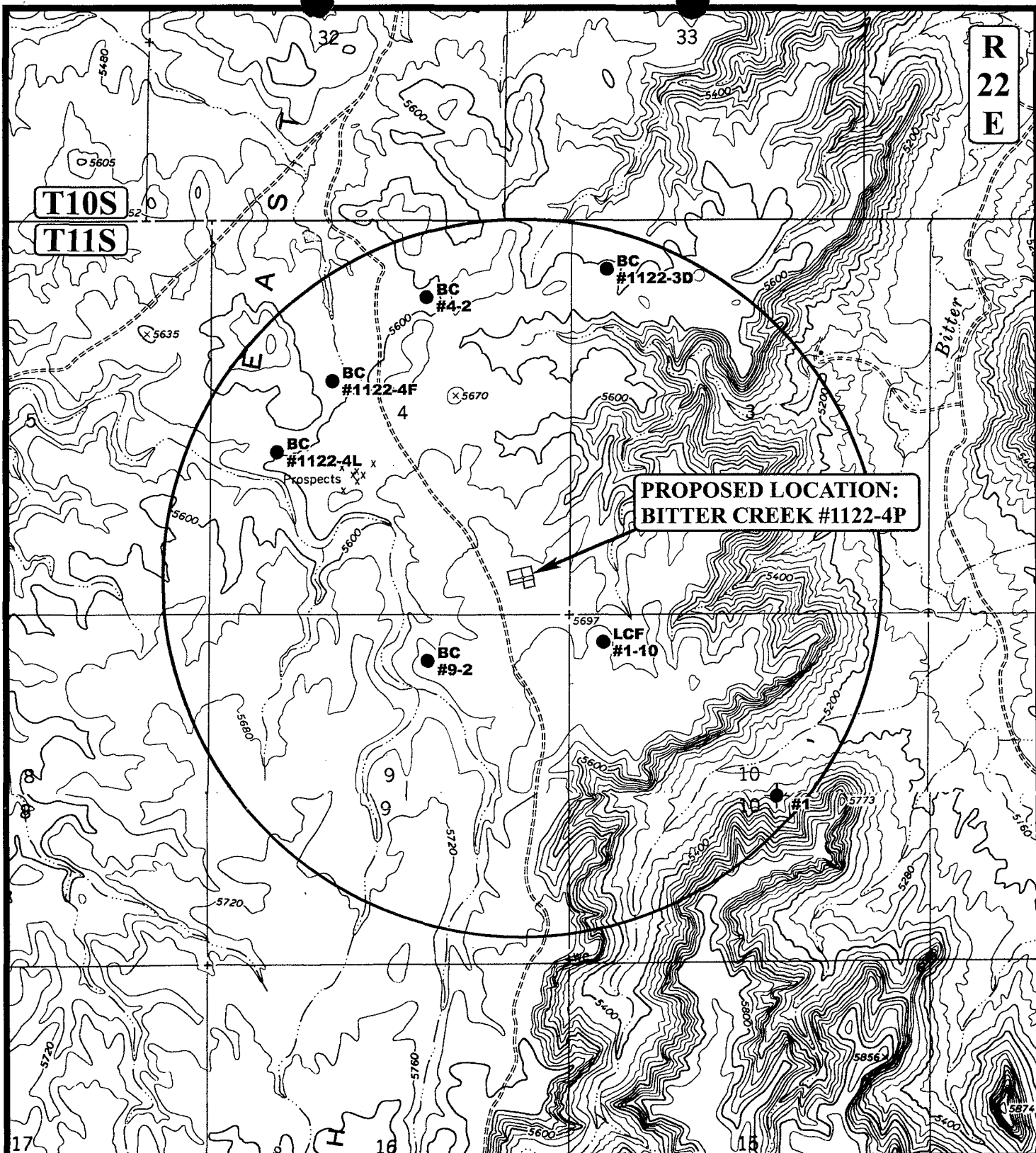
BITTER CREEK #1122-4P
 SECTION 4, T11S, R22E, S.L.B.&M.
 530' FSL 700' FEL

TOPOGRAPHIC
 MAP

06 19 07
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00

B
 TOPO



**PROPOSED LOCATION:
BITTER CREEK #1122-4P**

LEGEND:

- | | |
|-------------------|-------------------------|
| ⊗ DISPOSAL WELLS | ⊗ WATER WELLS |
| ● PRODUCING WELLS | ● ABANDONED WELLS |
| ● SHUT IN WELLS | ● TEMPORARILY ABANDONED |

Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-4P
SECTION 4, T11S, R22E, S.L.B.&M.
530' FSL 700' FEL



Utah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813

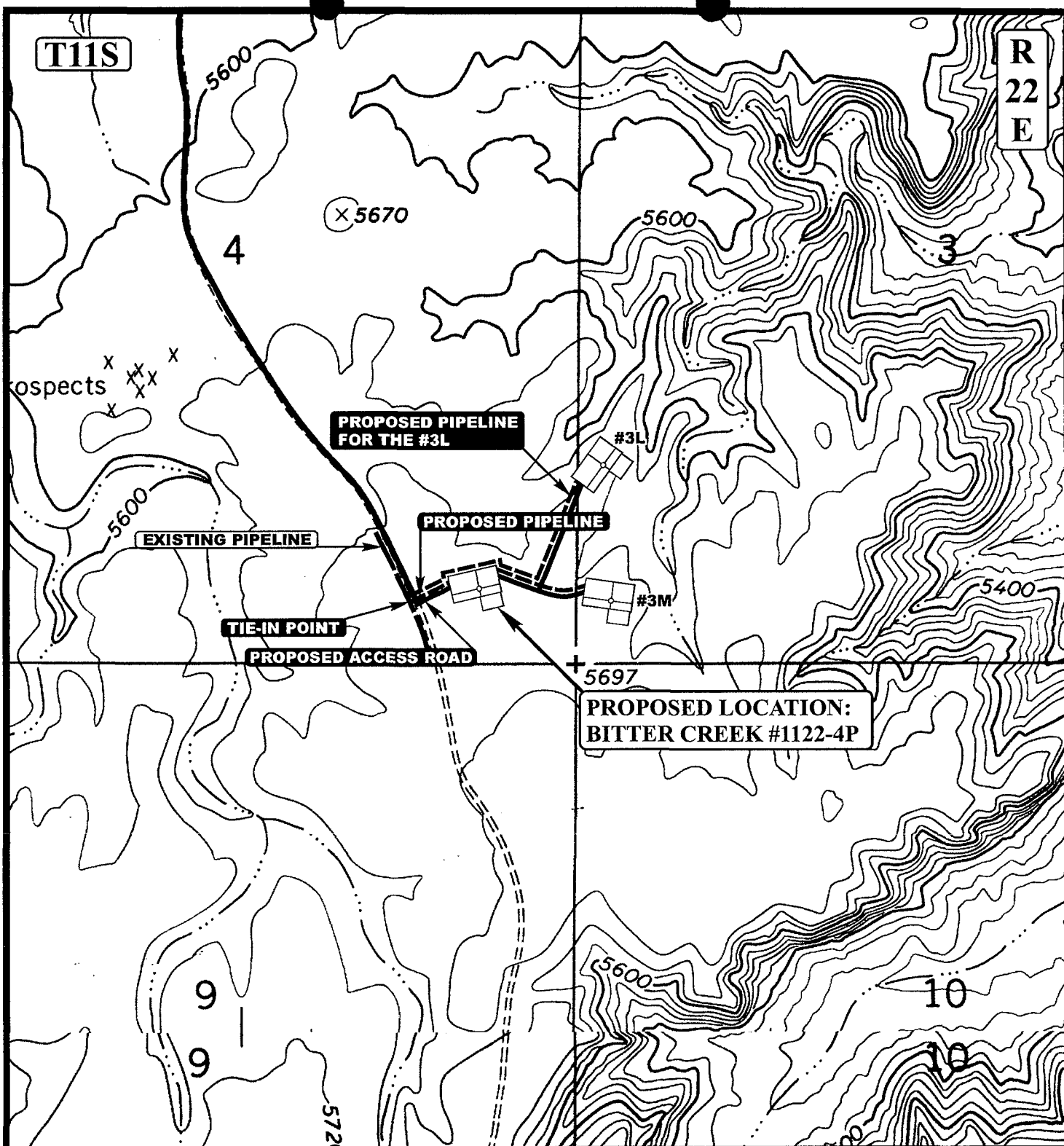


**TOPOGRAPHIC
MAP**

06 19 07
 MONTH DAY YEAR

SCALE: 1" = 2000' DRAWN BY: C.P. REVISED: 00-00-00





APPROXIMATE TOTAL PIPELINE DISTANCE = 329' +/-

LEGEND:

- PROPOSED ACCESS ROAD
- PROPOSED PIPELINE
- PROPOSED PIPELINE (SERVICING OTHER WELLS)



Uintah Engineering & Land Surveying
 85 South 200 East Vernal, Utah 84078
 (435) 789-1017 * FAX (435) 789-1813



Kerr-McGee Oil & Gas Onshore LP
BITTER CREEK #1122-4P
SECTION 4, T11S, R22E, S.L.B.&M.
530' FSL 700' FEL

TOPOGRAPHIC
MAP

06 **19** **07**
 MONTH DAY YEAR

SCALE: 1" = 1000' DRAWN BY: C.P. REVISED: 00-00-00

D
TOPO

Kerr-McGee Oil & Gas Onshore LP

BITTER CREEK #1122-4P

PIPELINE ALIGNMENT
LOCATED IN UTAH COUNTY, UTAH
SECTION 4, T11S, R22E, S.L.B.&M.

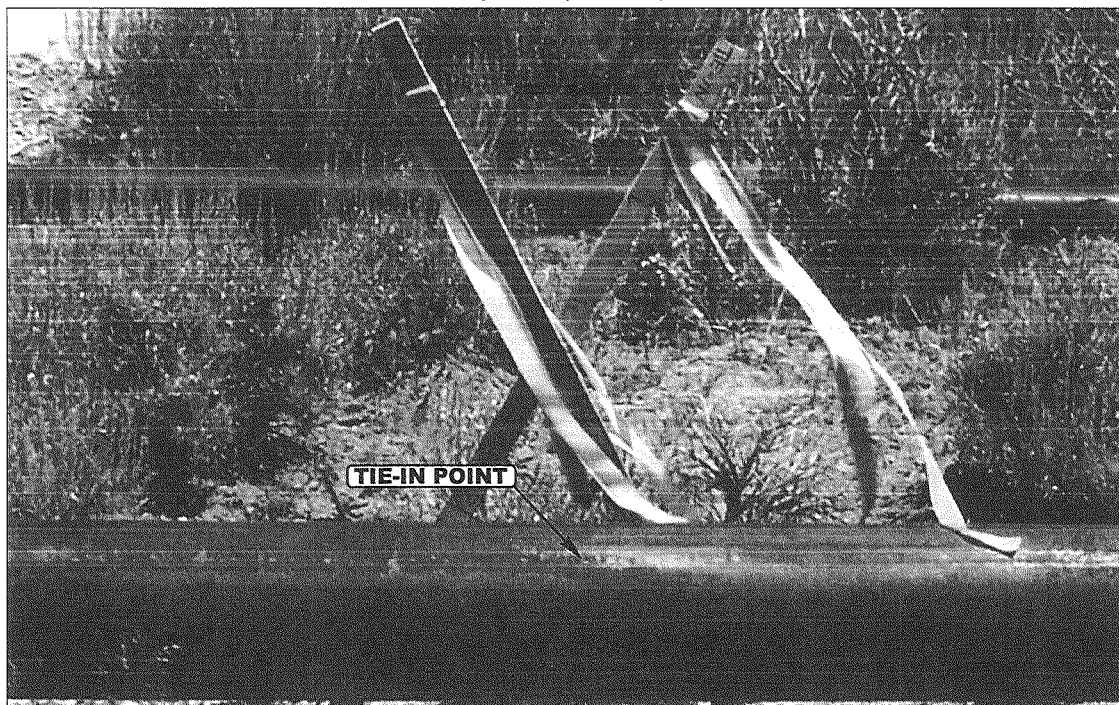


PHOTO: VIEW FROM TIE-IN POINT

CAMERA ANGLE: NORTHEASTERLY

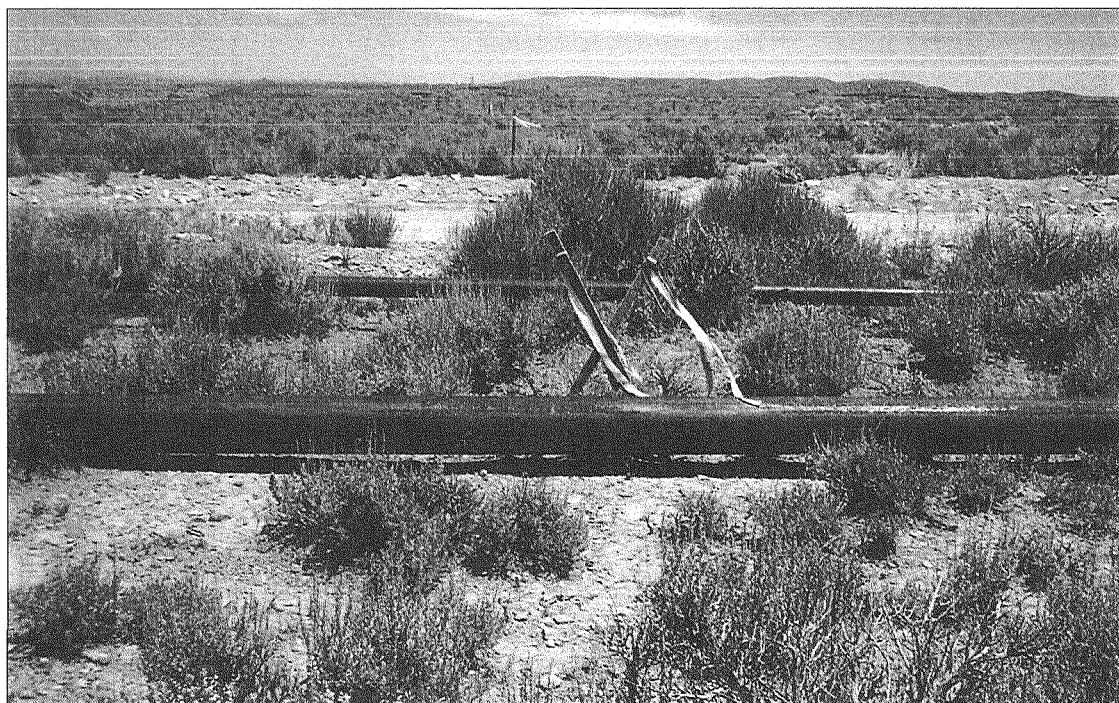


PHOTO: VIEW OF PIPELINE ALIGNMENT

CAMERA ANGLE: NORTHEASTERLY



- Since 1964 -

UELS Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017 uels@uelsinc.com

PIPELINE PHOTOS

06 19 07
MONTH DAY YEAR

PHOTO

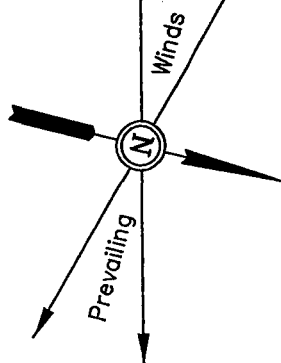
TAKEN BY: J.M.

DRAWN BY: C.P.

REVISED: 00-00-00

Kerr-McGee Oil & Gas Onshore LP

LOCATION LAYOUT FOR
BITTER CREEK #1122-4P
SECTION 4, T11S, R22E, S.L.B.&M.
530' FSL 700' FEL

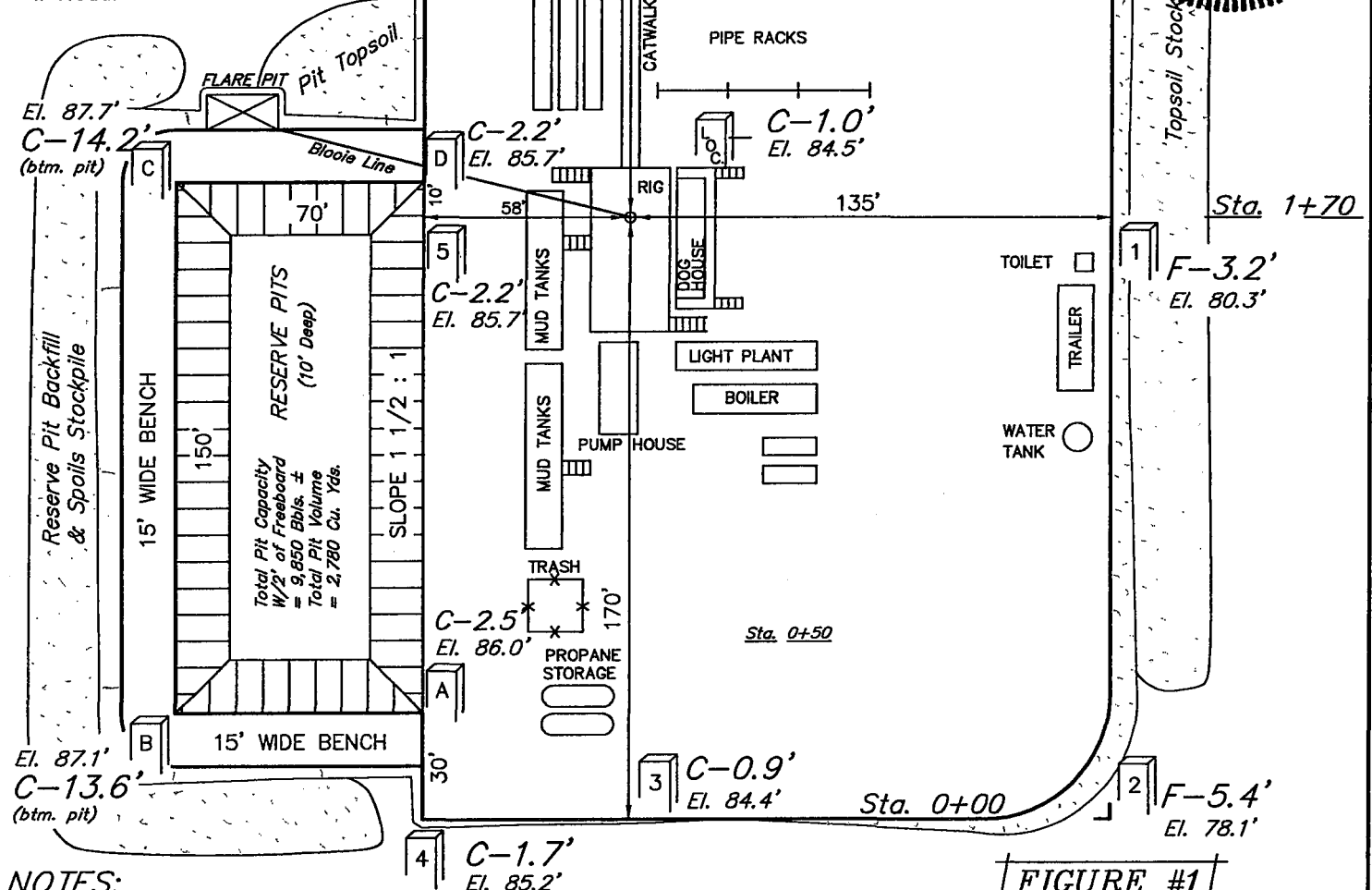


SCALE: 1" = 50'
DATE: 06-22-07
Drawn By: C.H.

Approx.
Top of
Cut Slope

NOTE:

Flare Pit is to be located
a min. of 100' from the
Well Head.



NOTES:

Elev. Ungraded Ground At Loc. Stake = 5684.5'
FINISHED GRADE ELEV. AT LOC. STAKE = 5683.5'

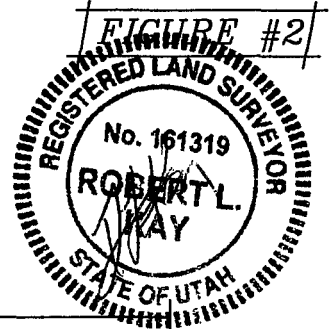
FIGURE #1

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

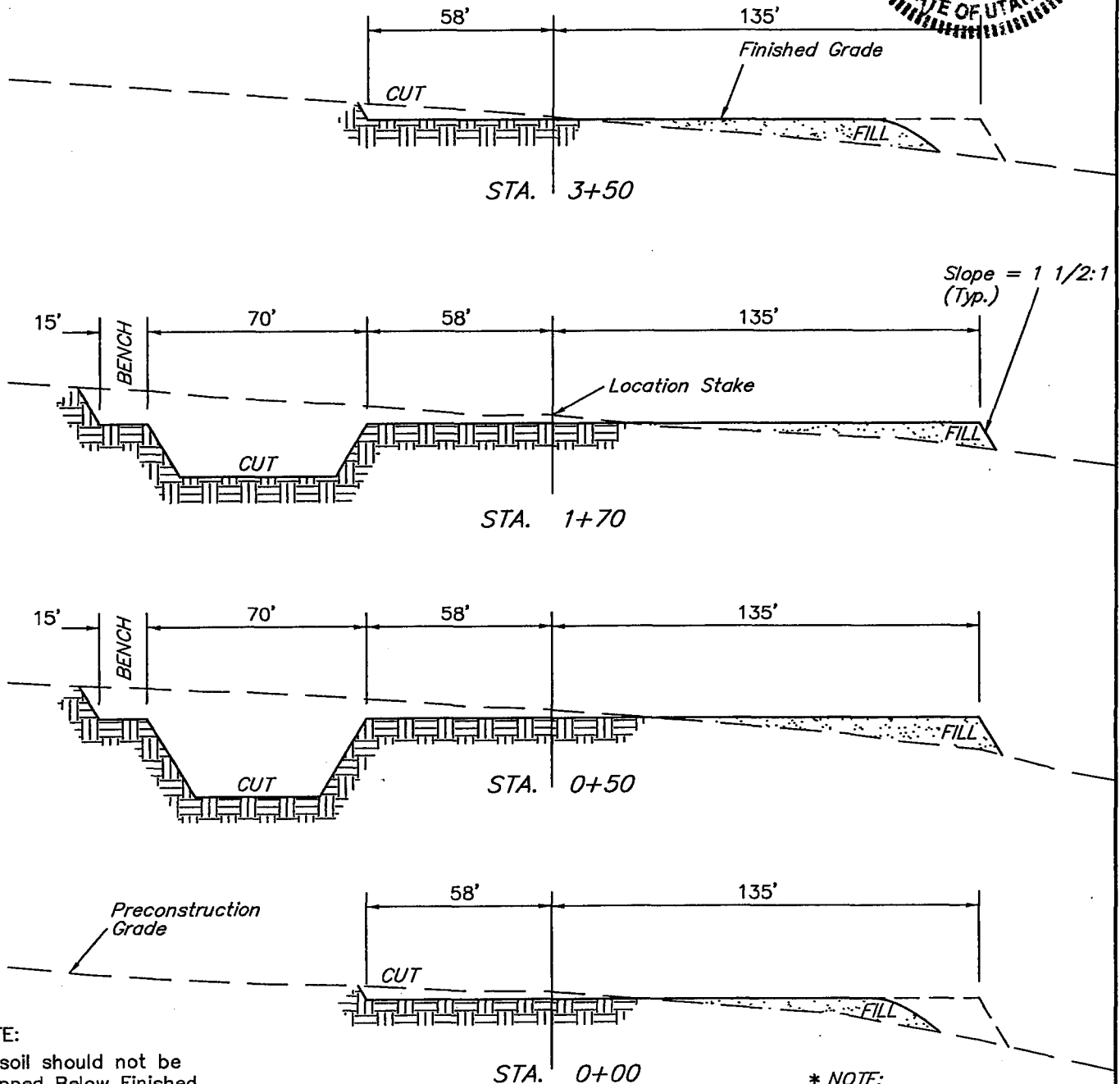
Kerr-McGee Oil & Gas Onshore LP

TYPICAL CROSS SECTIONS FOR

BITTER CREEK #1122-4P
SECTION 4, T11S, R22E, S.L.B.&M.
530' FSL 700' FEL



1" = 20'
X-Section
Scale
1" = 50'
DATE: 06-22-07
Drawn By: C.H.



NOTE:

Topsoil should not be
Stripped Below Finished
Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES
5% FOR COMPACTION

APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 1,650 Cu. Yds.
Remaining Location = 5,210 Cu. Yds.
TOTAL CUT = 6,860 CU.YDS.
FILL = 3,820 CU.YDS.

EXCESS MATERIAL = 3,040 Cu. Yds.
Topsoil & Pit Backfill = 3,040 Cu. Yds.
(1/2 Pit Vol.)
EXCESS UNBALANCE = 0 Cu. Yds.
(After Interim Rehabilitation)

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East * Vernal, Utah 84078 * (435) 789-1017

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 11/02/2007

API NO. ASSIGNED: 43-047-39754

WELL NAME: BITTER CREEK 1122-4P

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 435-781-7024

CONTACT: SHEILA UPCHEGO

PROPOSED LOCATION:

SESE 04 110S 220E

SURFACE: 0530 FSL 0700 FEL

BOTTOM: 0530 FSL 0700 FEL

COUNTY: Uintah

LATITUDE: 39.88374 LONGITUDE: -109.4524

UTM SURF EASTINGS: 632334 NORTHINGS: 4415790

FIELD NAME: BITTER CREEK (547)

INSPECT LOCATN BY: / /		
Tech Review	Initials	Date
Engineering		
Geology		
Surface		

LEASE TYPE: 1 - Federal

LEASE NUMBER: UTU-71417

SURFACE OWNER: 1 - Federal

PROPOSED FORMATION: WSMVD

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

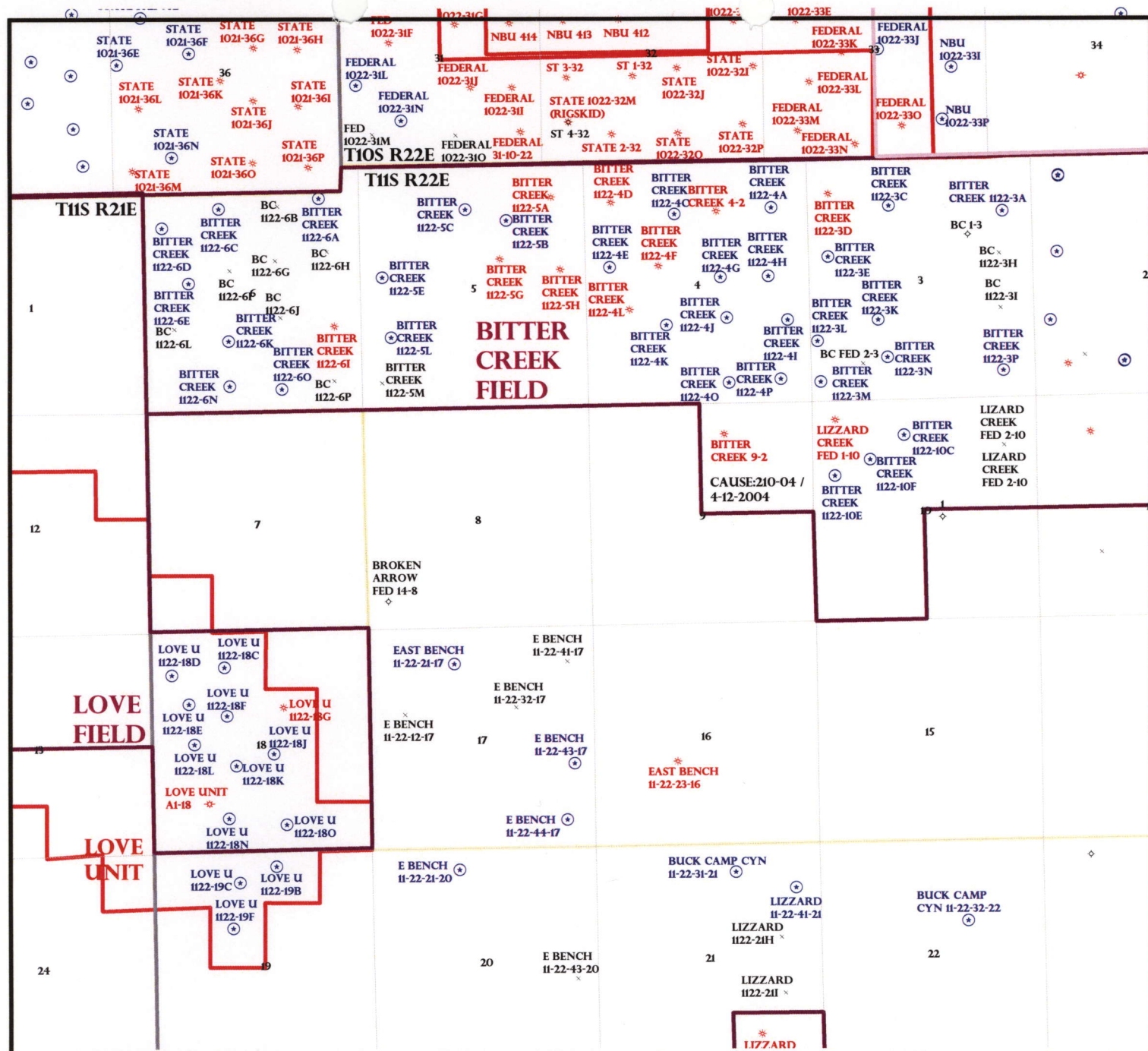
☒ Plat
☒ Bond: Fed[1] Ind[] Sta[] Fee[]
(No. WYB000291)
☒ Potash (Y/N)
☒ Oil Shale 190-5 (B) or 190-3 or 190-13
☒ Water Permit
(No. 43-8496)
☒ RDCC Review (Y/N)
(Date:)
☒ Fee Surf Agreement (Y/N)
☒ Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.
Unit: _____
___ R649-3-2. General
Siting: 460 From Qtr/Qtr & 920' Between Wells
___ R649-3-3. Exception
☒ Drilling Unit
Board Cause No: 210-04
Eff Date: 4-12-2004
Siting: 400' from drilling & 920' from other wells.
___ R649-3-11. Directional Drill

COMMENTS: _____

STIPULATIONS: 1- Lease Agreement



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 3,4,6,10 T.11S R. 22E

FIELD: BITTER CREEK (547)

COUNTY: UINTAH

CAUSE:210-04 / 4-12-2004

Field Status

- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status

- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status

- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING



PREPARED BY: DIANA MASON
DATE: 07-NOVEMBER-2007



JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

June 24, 2008

Kerr-McGee Oil & Gas Onshore LP
1368 S 1200 E
Vernal, UT 84078

Re: Bitter Creek 1122-4P Well, 530' FSL, 700' FEL, SE SE, Sec. 4, T. 11 South, R. 22 East,
Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. § 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-39754.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Office



Operator: Kerr-McGee Oil & Gas Onshore LP

Well Name & Number Bitter Creek 1122-4P

API Number: 43-047-39754

Lease: UTU-71417

Location: SE SE **Sec.** 4 **T.** 11 South **R.** 22 East

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

Notify the Division with 24 hours of spudding the well.

- Contact Carol Daniels at (801) 538-5284.

Notify the Division prior to commencing operations to plug and abandon the well.

- Contact Dustin Doucet at (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. State approval of this well does not supersede the required federal approval, which must be obtained prior to drilling.

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL OR REENTER


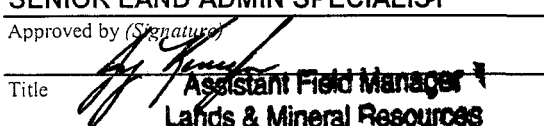
FORM APPROVED
OMB No. 1004-0136
Expires November 30, 2000

1a. Type of Work: <input checked="" type="checkbox"/> DRILL <input type="checkbox"/> REENTER		5. Lease Serial No. UTU-71417
b. Type of Well: <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other <input type="checkbox"/> Single Zone <input checked="" type="checkbox"/> Multiple Zone		6. If Indian, Allottee or Tribe Name
2. Name of Operator KERR MCGEE OIL & GAS ONSHORE LP		7. If Unit or <input checked="" type="checkbox"/> Agreement, Name and No. UTU-80666
3A. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	8. Lease Name and Well No. BITTER CREEK 1122-4P
4. Location of Well (Report location clearly and in accordance with any State requirements. *) At surface SE/SE 530'FSL, 700'FEL At proposed prod. Zone		9. API Well No. 43 047 39754
14. Distance in miles and direction from nearest town or post office* 38.4 +/- MILES SOUTHEAST OF OURAY, UTAH		10. Field and Pool, or Exploratory UNDESIGNATED
15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 530'	16. No. of Acres in lease 1520.00	11. Sec., T., R., M., or Blk. and Survey or Area SEC. 4, T11S, R22E
18. Distance from proposed location* to nearest well, drilling, completed, applied for, on this lease, ft. REFER TO TOPO C	19. Proposed Depth 8230'	12. County or Parish UINTAH
20. BLM/BIA Bond No. on file BOND NO. WYB000291		13. State UTAH
21. Elevations (Show whether DF, KDB, RT, GL, etc.) 5685'GL		17. Spacing Unit dedicated to this well 40.00
22. Approximate date work will start*		23. Estimated duration

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

- | | |
|---|---|
| 1. Well plat certified by a registered surveyor. | 4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above). |
| 2. A Drilling Plan. | 5. Operator certification. |
| 3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office). | 6. Such other site specific information and/or plans as may be required by the authorized office. |

25. Signature 	Name (Printed/Typed) SHEILA UPCHEGO	Date 10/30/2007
Title SENIOR LAND ADMIN SPECIALIST		
Approved by (Signature) 	Name (Printed/Typed) Jerry Kucsko	Date 7-2-2008
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Conditions of approval, if any, are attached.

CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

*(Instructions on reverse)

NOTICE OF APPROVAL

UDOGN

RECEIVED

JUL 07 2008

DIV. OF OIL, GAS & MINING

NOS: 07/10/2007
07PP2380A



UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE

170 South 500 East

VERNAL, UT 84078

(435) 781-4400



CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company: Kerr-McGee Oil & Gas Onshore, LP Location: SESE, Sec. 4, T11S, R22E
Well No: Bitter Creek 1122-4P Lease No: UTU-71417
API No: 43-047-39754 Agreement: CA UTU-80666

Title	Name	Office Phone Number	Cell Phone Number
Petroleum Engineer:	Matt Baker	(435) 781-4490	(435) 828-4470
Petroleum Engineer:	Michael Lee	(435) 781-4432	(435) 828-7875
Petroleum Engineer:	James Ashley	(435) 781-4470	(435) 828-7874
Petroleum Engineer:	Ryan Angus	(435) 781-4430	(435) 828-7368
Supervisory Petroleum Technician:	Jamie Sparger	(435) 781-4502	(435) 828-3913
Supervisory NRS:	Karl Wright	(435) 781-4484	(435) 828-7381
NRS/Enviro Scientist:	Holly Villa	(435) 781-4404	(435) 828-3544
NRS/Enviro Scientist:	James Hereford	(435) 781-3412	
NRS/Enviro Scientist:	Chuck Macdonald	(435) 781-4441	(435) 828-7481
NRS/Enviro Scientist:	Dan Emmett	(435) 781-3414	
NRS/Enviro Scientist:	Paul Percival	(435) 781-4493	
NRS/Enviro Scientist:	Michael Cutler	(435) 781-3401	(435) 828-3546
NRS/Enviro Scientist:	Anna Figueroa	(435) 781-3407	(435) 828-3548
NRS/Enviro Scientist:	Verlyn Pindell	(435) 781-3402	(435) 828-3547
NRS/Enviro Scientist:	Darren Williams	(435) 781-4447	(435) 828-4029
NRS/Enviro Scientist:	Nathan Packer	(435) 781-3405	(435) 828-3545

Fax: (435) 781-3420

**A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR
FIELD REPRESENTATIVE TO INSURE COMPLIANCE**

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Location Construction (Notify Environmental Scientist)	-	Forty-Eight (48) hours prior to construction of location and access roads.
Location Completion (Notify Environmental Scientist)	-	Prior to moving on the drilling rig.
Spud Notice (Notify Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings.
BOP & Related Equipment Tests (Notify Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

***SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)***

Surface COAs:

- If there is an active Gilsonite mining operation within 2 miles of the well location, operator shall notify the Gilsonite operator at least 48 hours prior to any blasting during construction.
- If paleontological materials are uncovered during construction, the operator is to immediately stop work and contact the Authorized Officer (AO). A determination will be made by the AO as to what mitigation may be necessary for the discovered paleontologic material before construction can continue.

Site Specific COAs:

- Adhere to Executive Order 5327 of April 15, 1930, stipulations for lands in oil shale withdrawal.
- All applicable local, state, and/or federal laws, regulations, and/or statutes will be complied with.
- All traffic related to this action will be restricted to approved routes. Cross-country vehicle travel will not be allowed.
- No vehicle travel, construction or routine maintenance activities shall be performed during periods when the soil is too wet to adequately support vehicles and/or construction equipment. If such equipment creates ruts in excess of four inches deep, the soil shall be deemed too wet to adequately support construction equipment.
- The access roads will be crowned and ditched. Flat-bladed roads are not allowed.
- If additional erosion occurs during the life of this project, more culverts, low water crossings, berms, wing ditches or etc. will be needed to control the erosion.
- All secondary drainages shall be rerouted around the location, as needed.
- Low-water crossings will be appropriately constructed to avoid sedimentation of drainage ways and other water resources.
- Pipelines will be buried at all major drainage crossings.
- Prevent fill and stock piles from entering drainages.
- The reserve pit will be lined with a 16 ml or greater liner and doubled felted prior to spudding.
- The liner is to be cut 5 feet below ground surface or at the level of the cuttings, whichever is deeper, and the excess liner material is to be disposed of at an authorized disposal site.

- When the reserve pit contains fluids or toxic substances, the operator must ensure animals do not ingest or become entrapped in pit fluids.
- If Uinta Basin hookless cactus or other special status plants are found, construction will cease and the AO will be notified to determine the appropriate mitigation.
- The interim seed mix for this location shall be:

Galleta grass	Hilaria jamesii	10 lbs. acre
Indian rice grass	Oryzopsis hymenoides	10 lbs. acre
Needle & Thread grass	Stipa comata	10 lbs. acre

All pounds are in pure live seed.

- Rates are set for drill seeding; double the rate if broadcasting.
 - Reseeding may be required if initial seeding is not successful.
- The operator will be responsible for treatment and control of invasive and noxious weeds following the operator submitted PUP plan provided the BLM before this project construction begins.
- The topsoil from the reserve pit shall be stripped and piled separately near the reserve pit and posted/marked topsoil. When the reserve pit is closed, it shall be contoured and the topsoil spread, and the area shall be seeded in the same manner as the location topsoil to comply with natural topography.
- Once the location is plugged and abandoned, it shall be contoured to natural topography, topsoil shall be spread, and the entire location shall be seeded with a seed mix recommended by the AO (preferably of native origin). Seed application will follow all guidelines in the interim seed mix bullet statement above. Seeding guidelines will be provided by the BLM to the operator with prescribed seeding recommendations.
- The authorized officer may prohibit surface disturbing activities during severe winter conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- The authorized officer may prohibit surface disturbing activities during wet or muddy conditions to minimize watershed damage. This limitation does not apply to operation and maintenance of producing wells.
- All well facilities not regulated by OSHA will be painted Carlsbad Canyon.
- All boulders with a length or diameter greater than 3 feet, that are found showing at the surface, will be stockpiled for use during final reclamation.
- The habitat will be protected (no or little development) within 2 miles (3.2 km) of active leks.

- a. All human disturbances will be minimized within sight or 0.3 mile (0.5 km) of active leks during breeding season during early morning or evening when birds are likely to be found on the leks; and
 - a. Avoid constructing above ground powerlines, or other tall structures within two (2) miles of seasonal habitat.
- Well pads will be located out of the line of sight/hearing at the leks by considering topographical or vegetative screening features as well as centralized tank batteries, use of low profile tanks, and pointing exhaust from heater-treater to the north and northeast at proposed locations.
 - a. Proper placement of well locations can reduce the impact out of hearing >10 dBA above natural ambient noise.
- Construction, drilling, completion and workover activities will not be allowed within two miles of active leks from March 1 through June 15.
- Other structures such as fences, poles, utilities, will not be constructed within the two mile buffer of active leks, unless the proposed project is reviewed by BLM and UDWR and a waiver issued for this measure on an approved design.
- Operational activities (trucks driving to well locations, well, road, pipeline surveys, pipeline maintenance etc.) will be minimized March 1 through June 15 one hour prior to sunrise to three hours after sunrise.
- No construction, drilling, completion activities will be allowed from May 15-June 20 to help protect pronghorn kidding in the area.
- Golden eagle nesting a timing restriction from February 1 through July 30 will be applied to the following well locations:

Bitter Creek Well 1121 6K Location NESW Section 6, T 11 S R22 E.
Bitter Creek Well 1121 6E Location SWNW Section 6, T 11 S R22 E.
Bitter Creek Well 1121 6D Location NWNW Section 6, T 11 S R22 E.

- Notify the Authorized Officer 48 hours prior to surface disturbing activities.

DOWNHOLE CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- **Communitization Agreement UTU-80666, (S2NE, SE, Lots 1,2,7,8, Section 4, T11S, R22E) was approved to include only production from the WSTC-MSVD formation. Prior to well completion, approval by this office shall be required before production is established from any other formation(s).**
- A surface casing shoe integrity test shall be performed.
- Production casing cement top shall be at a minimum of 200' above the surface casing shoe.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.
- No aggressive/fresh hard-banded drill pipe shall be used within casing.
- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.
- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.
- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.
- Chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.
- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.
- **Please submit an electronic copy of all other logs run on this well in LAS format to UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**
- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.
- In accordance with 43 CFR 3162.4-3, this well shall be reported on the "Monthly Report of Operations" (Oil and Gas Operations Report ((OGOR)) starting with the month in which operations commence and continue each month until the well is physically plugged and abandoned. This report shall be filed in duplicate, directly with the Minerals Management Service, P.O. Box 17110, Denver, Colorado 80217-0110, or call 1-800-525-7922 (303) 231-3650 for reporting information.
- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:
 - Operator name, address, and telephone number.
 - Well name and number.
 - Well location (1/4 1/4, Sec., Twn, Rng, and P.M.).
 - Date well was placed in a producing status (date of first production for which royalty will be paid).
 - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).
 - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.
 - Unit agreement and/or participating area name and number, if applicable.
 - Communitization agreement number, if applicable.
- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.
- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.
- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.
- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.
- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.
- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.
- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.
- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: KERR-McGEE OIL & GAS ONSHOE, L.P.

Well Name: BITTER CREEK 1122-4P

Api No: 43-047-39754 Lease Type: FEDERAL

Section 04 Township 11S Range 22E County UINTAH

Drilling Contractor PETE MARTIN DRLG RIG # BUCKET

SPUDDED:

Date 08/23/08

Time 7:00 AM

How DRY

Drilling will Commence: _____

Reported by LEW WELDON

Telephone # (435) 828-7035

Date 08/25/08 Signed CHD

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078 Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739754	BITTER CREEK 1122-4P		SESE	4	11S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>A</u>	99999	<u>17058</u>	8/23/2008		<u>9/22/08</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 08/23/2008 AT 0700 HRS.							

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304739237	NBU 921-8B		NWNE	8	9S,	21E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
<u>B</u>	99999	<u>2900</u>	8/25/2008		<u>9/22/08</u>		
Comments: MIRU PETE MARTIN BUCKET RIG. <u>WSMVD</u> SPUD WELL LOCATION ON 08/25/2008 AT 1300 HRS.							

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
Action Code	Current Entity Number	New Entity Number	Spud Date		Entity Assignment Effective Date		
Comments:							

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO

Name (Please Print)

Signature

REGULATORY ANALYST

Title

8/26/2008

Date

RECEIVED

AUG 26 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CA: UTU-80666

8. Well Name and No.

BITTER CREEK 1122-4P

9. API Well No.

4304739754

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH COUNTY, UTAH

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well

☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SE SEC. 4, T11S, R22E 530'FSL, 700'FEL

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other WELL SPUD
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 14" 36.7#
SCHEDULE 10 PIPE. CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 08/23/2008 AT 0700 HRS.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Title

REGULATORY ANALYST

Signature

Date

August 26, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

SEP 09 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side

1. Type of Well
☐ Oil Well ☒ Gas Well ☐ Other

2. Name of Operator

KERR-McGEE OIL & GAS ONSHORE LP

3a. Address

1368 SOUTH 1200 EAST VERNAL, UT 84078

3b. Phone No. (include area code)

(435) 781-7024

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

SE/SE SEC. 4, T11S, R22E 530'FSL, 700'FEL

5. Lease Serial No.

UTU-71417

6. If Indian, Allottee or Tribe Name

7. If Unit or CA/Agreement, Name and/or No.

CA: UTU-80666

8. Well Name and No.

BITTER CREEK 1122-4P

9. API Well No.

4304739754

10. Field and Pool, or Exploratory Area

UNDESIGNATED

11. County or Parish, State

UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other SET SURFACE
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	CSG
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

MIRU PROPETRO AIR RIG ON 08/25/2008. DRILLED 12 1/4" SURFACE HOLE TO 1890'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/155 SX HIFILL CLASS G @11.0 PPG 3.82 YIELD. TAILED CMT W/ 200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. GOOD RETURNS THROUGH OUT JOB 25 +/- BBL LEAD CMT TO PIT. RAN 200' OF 1" PIPE. CMT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD GOOD CMT TO SURFACE AND FELL BACK. TOP OUT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL. WORT.

14. I hereby certify that the foregoing is true and correct

Name (Printed/Typed)

SHEILA UPCHEGO

Signature

Title

REGULATORY ANALYST

Date

September 2, 2008

THIS SPACE FOR FEDERAL OR STATE USE

Approved by

Title

Date

Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

Office

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

SEP 09 2008

DIV. OF OIL, GAS & MINING

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or reenter an abandoned well. Use Form 3160-3 (APD) for such proposals.

FORM APPROVED
OMB No. 1004-0135
Expires November 30, 2000

SUBMIT IN TRIPLICATE – Other instructions on reverse side

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU-71417
2. Name of Operator KERR-McGEE OIL & GAS ONSHORE LP		6. If Indian, Allottee or Tribe Name
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) (435) 781-7024	7. If Unit or CA/Agreement, Name and/or No. UTU-80666
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) 530' FSL, 700' FEL SESE, SEC.4 T11S-R22E		8. Well Name and No. BITTER CREEK 1122-4P
		9. API Well No. 43-047-39754
		10. Field and Pool, or Exploratory Area UNDESIGNATED
		11. County or Parish, State UINTAH COUNTY, UTAH

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete	<input checked="" type="checkbox"/> Other PRODUCTION
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	START-UP
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operations (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recompleat horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompleat in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.

THE SUBJECT WELL LOCATION WAS PLACED ON PRODUCTION ON 10/10/08 AT 12:00 AM.

PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct	
Name (Printed/Typed) SHEILA UPCHEGO	Title SENIOR LAND ADMIN SPECIALIST
Signature <i>Sheila Upchego</i>	Date October 14, 2008
THIS SPACE FOR FEDERAL OR STATE USE	
Approved by	Title
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	
Office	

Title 18 U.S.C. Section 1001, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on reverse)

RECEIVED

OCT 20 2008

DIV. OF OIL, GAS & MINING

Wins No.: 95717

BITTER CREEK 1122-4P

Well Operations Summary Long

Operator KERR MCGEE OIL & GAS ONSHORE LP	FIELD NAME NATURAL BUTTES	SPUD DATE 08/23/2008	GL 5,684	KB 5698	ROUTE V45
API 4304739754	STATE UTAH	COUNTY UINTAH	DIVISION ROCKIES		
Long/Lat.: 39.88375 / -109.45308		Q-Q/Sect/Town/Range: SESE / 4 / 11S / 22E		Footages: 530.00' FSL 700.00' FEL	

Wellbore: BITTER CREEK 1122-4P

MTD 8,280	TVD 8,277	PBMD 8,290	PBTVD
--------------	--------------	---------------	-------

EVENT INFORMATION:	EVENT ACTIVITY: DRILLING	START DATE: 8/23/2008	AFE NO.: 2011014
	OBJECTIVE: DEVELOPMENT	END DATE:	
	OBJECTIVE 2: VERTICAL WELL	DATE WELL STARTED PROD.: 8/23/2008	
	REASON: DRILL PROD HOLE	Event End Status:	

RIG OPERATIONS:	Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release	Rig Off Location
PIONEER 69 / 69	09/01/2008	09/01/2008	08/31/2008	09/03/2008	09/09/2008	09/11/2008	09/12/2008

Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
8/23/2008	SUPERVISOR: LEW WELDON						
	7:00 - 15:00	8.00	DRLCON	02		P	MOVE IN AND RIG UP BUCKET RIG SPUD WELL @ 0700 HR 8/23/08 DRILL AND SET 40' OF SCHEDULE 10 PIPE DRILL RODENT HOLES FOR RIG 68 BLM AND STATE NOTFIED OF SPUD
8/25/2008	SUPERVISOR: LEW WELDON						
	0:00 - 12:00	12.00	DRLSUR	02		P	MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0000 HR 8/25/08 DA AT REPORT TIME 990'
	12:00 - 0:00	12.00	DRLSUR	02		P	RIG DRILLING AHEAD NO WATER 1320'
8/26/2008	SUPERVISOR: LEW WELDON						
	0:00 - 13:00	13.00	DRLSUR	02		P	RIG T/D @ 1890' CONDITION HOLE 1 HR
	13:00 - 16:00	3.00	DRLSUR	05		P	TRIP DP OUT OF HOLE
	16:00 - 19:00	3.00	CSG	11		P	RUN 1858' OF 9 5/8 CSG AND 200' OF 1" PIPE RIG DOWN AIR RIG
	19:00 - 20:00	1.00	CSG	15		P	CEMENT 1ST STAGE WITH 155 SKS LEAD @ 11# 3.82 23 GAL/SK AND 200 SKS TAIL @ 15.8# 1.15 GOOD RETURNS THRU OUT JOB + - 25 BBL LEAD CMT TO PIT
	20:00 - 20:30	0.50	CSG	15		P	1ST TOP JOB 100 SKS DOWN 1" PIPE GOOD CMT TO SURFACE AND FELL BACK WOC
	20:30 - 21:30	1.00	CSG	15		P	2ND TOP JOB 100 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	21:30 - 21:30	0.00	CSG				NO VISIBLE LEAKS PIT 1/4 FULL WORT

	21:30 - 21:30	0.00	CSG				NO VISIBLE LEAKS PIT 1/4 FULL WORT
8/31/2008	SUPERVISOR: BRAD PEDERSEN						
	8:00 - 0:00	16.00	MIRU	01	E	P	RDRT PREPARE RIG F/ MOVE TO BITTER CREEK 1122-4P
9/1/2008	SUPERVISOR: BRAD PEDERSEN						
	0:00 - 6:00	6.00	MIRU	01	E	P	RDRT ,PREPARE RIG F/ MOVE
	6:00 - 18:00	12.00	MIRU	01	A		MOVE RIG TO BITTER CREEK 1122-4P , SET IN PITS,PUMPS,SUB ,CARRIER LOST A SET OF DUELS ENROUTE TO LOCATION , WILL REPAIR AND FINISH MOVING THIS AM , 15 TRUCKS, 2-FORKLIFTS ,1-CRANE ,
	18:00 - 0:00	6.00	MIRU	01	A		SDFN
9/2/2008	SUPERVISOR: BRAD PEDERSEN						
	0:00 - 6:00	6.00	MIRU	01	A	P	SDFN
	6:00 - 17:00	11.00	MIRU	01	B	P	FINISH MOVING RIG,RURT,
	17:00 - 22:00	5.00	MIRU	13	A	P	NIPPLE UP BOP
	22:00 - 0:00	2.00	MIRU	13	C	P	SAFETY MEETING W/ B&C QUICK TEST R/U & TEST BOP
9/3/2008	SUPERVISOR: BRAD PEDERSEN						
	0:00 - 3:30	3.50	MIRU	13	C	P	TEST BOP TO 5000 PSI,ANNULAR TO 1500 PSI,CASING TO 1500 PSI, R/D TESTERS
	3:30 - 10:00	6.50	PRPSPD	05	A	P	S/M W/ TESCO R/U & P/U DRILL STRING,RD TESCO
	10:00 - 13:00	3.00	MAINT	06	D	P	SLIP & CUT 75' DRLG LINE
	13:00 - 14:00	1.00	PRPSPD	08	E	P	PER SPUD SAFETY MEETING & INSPECTION W/ PUSHER,DRILLER,COMAN
	14:00 - 15:00	1.00	PRPSPD	05	J	P	INSTALL DRLG RUBBER & DRIVE BUSHINGS
	15:00 - 17:00	2.00	DRLPRO	02	F	P	DRLG CMT & F.E
	17:00 - 19:00	2.00	DRLPRO	02	B	P	SPUD @ 17:00 9/3/2008 DRLG F/ 1890' TO 2018' (128' 64' HR) WATER
	19:00 - 19:30	0.50	DRLPRO	09	A	P	SURVEY @ 1948' 2.24 DEG.

19:00 - 19:30 0.50 DRLPRO 09 A P SURVEY @ 1948' 2.24 DEG.
 19:30 - 0:00 4.50 DRLPRO 02 B P DRLG F/ 2018' TO 2323' (305' 67.7' HR) WATER

9/4/2008 SUPERVISOR: BRAD PEDERSEN

0:00 - 3:30 3.50 DRLPRO 02 B P DRLG F/ 2323' TO 2524' (201' 67' HR) WATER
 3:30 - 4:00 0.50 DRLPRO 09 A P SURVEY @ 2454' 1.03 DEG.
 4:00 - 11:00 7.00 DRLPRO 02 B P DRTG F/ 2524' TO 3030' (506' 72.2' HR) WATER
 11:00 - 11:30 0.50 DRLPRO 09 A P SURVEY @ 2954' .56 DEG.
 11:30 - 23:30 12.00 DRLPRO 02 B P DRLG F/ 3030' TO 4010' (980' 81.6' HR) WT9.4/42
 23:30 - 0:00 0.50 DRLPRO 09 A P SURVEY @ 3940' 2.76 DEG.

9/5/2008 SUPERVISOR: BRAD PEDERSEN

0:00 - 8:30 8.50 DRLPRO 02 B P DRLG F/ 4010' TO 4548' (538' 63.2' HR) WT 9.8/40
 8:30 - 9:00 0.50 DRLPRO 09 A P SURVEY @ 4460' 2.30 DEG.
 9:00 - 18:30 9.50 DRLPRO 02 B P DRLG F/ 4548' TO 5054' (506' 53.2' HR) WT 9.8/39
 18:30 - 19:00 0.50 DRLPRO 09 A P SURVEY @ 4984' 2.07 DEG.
 19:00 - 0:00 5.00 DRLPRO 02 B P DRLG F/ 5054' TO 5304' (250' 50' HR) WT 9.8/44

9/6/2008 SUPERVISOR: BRAD PEDERSEN

0:00 - 6:00 6.00 DRLPRO 02 B P DRLG F/ 5304' TO 5529' (225' 37.5' HR) WT 10/37
 6:00 - 6:30 0.50 DRLPRO 09 A P SURVEY @ 5409' 1.82 DEG.
 6:30 - 17:00 10.50 DRLPRO 02 B P DRLG F/ 5529' TO 5972' (443' 42.1' HR) WT 10.1/45
 17:00 - 17:30 0.50 DRLPRO 06 A P RIG SERVICE
 17:30 - 0:00 6.50 DRLPRO 02 B P DRLG F/ 5972' TO 6186' (214' 32.9' HR) WT 10/52

9/7/2008 SUPERVISOR: BRAD PEDERSEN

0:00 - 0:30 0.50 DRLPRO 02 B P DRLG F/ 6186' TO 6193' (6' 12' HR) WT 10/52

Wins No.: 95717

BITTER CREEK 1122-4P

API No.: 4304739754

0:00 - 0:30	0.50	DRLPRO	02	B	P	DRLG F/ 6186' TO 6193' (6' 12' HR) WT 10/52
0:30 - 1:00	0.50	DRLPRO	09	A	P	SURVEY @ 6123' 1.43 DEG.
1:00 - 16:30	15.50	DRLPRO	02	B	P	DRLG F/ 6193' TO 6764' (571' 36.8' HR) WT10.2/49
16:30 - 17:00	0.50	DRLPRO	06	A	P	RIG SERVICE
17:00 - 0:00	7.00	DRLPRO	02	B	P	DRLG F/ 6764' TO 6951' (187' 26.7' HR) WT 10.3/41

9/8/2008

SUPERVISOR: BRAD PEDERSEN

0:00 - 7:30	7.50	DRLPRO	02	B	P	DRLG F/ 6951' TO 7174' (223'29.7' HR) WT 10.3/42
7:30 - 8:00	0.50	DRLPRO	04	C	P	MIX & PUMP PILL
8:00 - 9:00	1.00	DRLPRO	05	A	P	TRIP OUT 1 STAND & 1 JT TIGHT 25-50K
9:00 - 12:00	3.00	DRLPRO	04	B	S	WASH 90' BACK TO BTM RAISE MUD WT TO 10.8,PUMP PILL
12:00 - 19:30	7.50	DRLPRO	05	A	P	TOOH W/ BIT # 1 L/D BIT & MOTOR TIGHT @ 5652' & 3147' THROUGH 2336' 25-35K,BALLED BIT & 10' OF MOTOR
19:30 - 23:00	3.50	DRLPRO	05	A	P	P/U BIT #2 & NEW MOTOR TIH (FILL PIPE @ SHOE)
23:00 - 0:00	1.00	DRLPRO	03	D	P	WASH & REAM 150' TO BTM 30' OF FILL

9/9/2008

SUPERVISOR: TIM HEINS

0:00 - 16:00	16.00	DRLPRO	02	A	P	DRLG F/ 7174' TO 7965' = 791' - 49' HR MUD WT = 11.1 VIS = 45
16:00 - 16:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
16:30 - 22:30	6.00	DRLPRO	02	A	P	DRLG F/ 7965' TO 8280' = 315' - 52' HR MUD WT = 11.3 VIS = 45 (T.D.)
22:30 - 0:00	1.50	DRLPRO	04	C	P	CIRC F/ SHORT TRIP

9/10/2008

SUPERVISOR: TIM HEINS

0:00 - 0:30	0.50	DRLPRO	04	C	P	CIRC F/ SHORT TRIP
0:30 - 6:00	5.50	DRLPRO	05	E	P	SHORT TRIP TO SHOE NO PROBLEMS

6:00 - 8:00	2.00	DRLPRO	04	C	P	CIRC F/ LOGS
8:00 - 12:00	4.00	DRLPRO	05	B	P	TRIP F/ LOGS
12:00 - 12:30	0.50	DRLPRO	06	A	P	LUBRICATE RIG
12:30 - 18:00	5.50	DRLPRO	10	C	P	HELD SAFETY MTNG W/ LOGGERS AND RIG CREW R / U AND RUN TRIPLE COMBO LOGS (DEPTH = 8281') R / D LOGGERS
18:00 - 21:00	3.00	DRLPRO	05	D	P	TRIP IN HOLE TO 4100' HELD SAFETY MTNG W / L / D CREW AND RIG CREW R / U SAME
21:00 - 0:00	3.00	DRLPRO	05	D	P	L D DP
<hr/>						
9/11/2008	SUPERVISOR: TIM HEINS					
0:00 - 5:00	5.00	DRLPRO	05	D	P	TRIP IN L / D PIPE AND BHA (PULL WEAR BUSHING
5:00 - 6:00	1.00	DRLPRO	11	A	P	HELD SAFETY MTNG W/ CASERS AND RIG CREW R / U SAME
6:00 - 12:00	6.00	DRLPRO	11	B	P	RUN 4 1/2 CSNG HIT BRIDGE @ 6100'
12:00 - 13:30	1.50	DRLPRO	04	E	Z	WASH AND WORK THROUGH BRIDGE F/ 6100' TO 6150'
13:30 - 15:30	2.00	DRLPRO	11	B	P	FINISH RUNNING CSNG, P / U LANDING JOINT
15:30 - 17:00	1.50	DRLPRO	04	A	P	CIRC F/ CMNT
17:00 - 20:00	3.00	DRLPRO	15	A	P	HELD SAFETY MTNG W / BJ AND RIG CREW R / U AND CMNT, 20 SX SCV, LEAD CMNT = 290 SX - PL2+10%GEL=3%KCL+5#KOL++0.5%SMS+0.25#CF - 11# 3.31 YLD, TAIL CMNT = 1200SX 50/50 POS +10%NaCL+0.2%R-3+0.05#SF+0.002FP-6L 14.3 # 1.31 YLD - BUMP PLUG600 PSI OVER, FLOATS HELD, 17 BBLS TO PIT
20:00 - 0:00	4.00	DRLPRO	13	A	P	NIPPLE DOWN BOPE, CLEAN TANKS (RELEASE RIG @ 00:00 ON 09/11/2008)

Wins No.: 95717		BITTER CREEK 1122-4P				API No.: 4304739754	
EVENT INFORMATION:		EVENT ACTIVITY: COMPLETION OBJECTIVE: DEVELOPMENT OBJECTIVE 2: ORIGINAL REASON: MV				START DATE: 10/3/2008 END DATE: 10/9/2008 DATE WELL STARTED PROD.: 8/23/2008 Event End Status: COMPLETE	
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release
GWS 1 / 1		10/03/2008					10/09/2008
Date	Time Start-End	Duration (hr)	Phase	Code	Subco de	P/U	Operation
10/3/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM. HIGH PSI LINES
	7:30 - 17:00	9.50	COMP	31	I	P	MIRU RIG, SPOT EQUIP. OPEN WELL 0#. ND WH. NU FRAC V. MIRU B&C QUICK TEST. PSI TEST CSG & BOTH FRAC V T/ 7500#. GOOD TEST. BLEED OFF PSI. RDMO B&C QUICK TEST. ND FRAC V. NU BOP. PREP & TALLY 270 JTS 2 3/8, J-55 TBG. PU 3 7/8 BIT + X-DART + POBS + XN-NIPPLE. RIH W/ 257 JTS 2 3/8, J-55 TBG. EOT @ 8077' RU DRL EQUIP, PREP T/ DRL OUT CMT,FC & FS ON MONDAY MORNING. SWI, SDFWE.
10/6/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM
	7:30 - 17:00	9.50	COMP	44	A	P	OPEN WELL 0#. CONT RIH TAG CMT @ 8140'. RU DRL EQUIP, BRK CONV CIRC. BEG T/ DRL. DRL OUT 40' CMT, FC, 40' CMT & FS FELL THROUGH. CONT RIH TAG PBTD @ 8290'. CIRC WELL CLEAN W/ 85 BBLS TRW. RD DRL EQUIP. POOH W/ TBG, LD BHA. ND BOP, NU FRAC VALVES. SWI, SDFN. PREP FRAC WED IN THE :AM.
10/6/2008	<u>SUPERVISOR:</u> -						
	7:00 -			33	A		7 AM FLBK REPORT: CP 1500#, TP 1100#, 20/64" CK, 42 BWPH, MED SAND, - GAS TTL BBLS RECOVERED: 744 BBLS LEFT TO RECOVER: 12222
10/7/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 15:00	8.00	COMP	46	F	P	STDBY, WAIT ON WEATHERFORD FRAC CREW.
10/8/2008	<u>SUPERVISOR:</u> DAVID DANIELS						
	7:00 - 7:30	0.50	COMP	48		P	HSM. HIGH PSI LINES

Wins No.: 95717		BITTER CREEK 1122-4P				API No.: 4304739754	
7:30	- 18:00	10.50	COMP	36	B	P	<p>MIRU WEATHERFORD FRAC SERV & CUTTERS W.L..</p> <p>STG 1) OPEN WELL 240#. BRK @ 2774# @ 4.4 BPM. SD ISIP 2480#, FG .74. BEG FRAC. PUMP 41,304 # 30/50 OWATTA, TAIL IN W/ 5000# 30/50 TLC. SD ISIP 2589#, FG .75. X-OVER FOR W.L..</p> <p>STG 2) PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN. 23 GM. .36 HOLE SIZE. 120 DEG PHAZING. RIH, SET CBP @ 8036', P/U PERF F/</p> <p>8000'-06', 3 SPF, 18 HOLES.</p> <p>7882'-86', 3 SPF, 12 HOLES.</p> <p>7864'-68', 3 SPF, 12 HOLES.</p> <p>POOH. X-OVER FOR FRAC CREW.</p> <p>OPEN WELL 0#. BRK @ 2875# @ 2.7 BPM. SD ISIP 2106#, FG .70.. BEG FRAC. PUMP 62,978# 30/50, PUMP 125 BBL SWEEP, GO BACK T/SAND, FINISH FRAC W/ TOTAL OF 109,422# 30/50 SAND, TAIL IN W/ 5000# TLC 20/40. SD ISIP 2685#, FG .78. X-OVER FOR W.L..</p> <p>STG 3) PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHAZING. RIH SET CBP @ 7830', P/U PERF F/</p> <p>7790'-00', 3 SPF, 30 HOLES.</p> <p>7755'-60', 3 SPF, 15 HOLES.</p> <p>POOH. X-OVER FOR FRAC CREW. OPEN WELL 1200#. BRK @ 3562# @ 2.8 BPM. BEG FRAC, PUMP 136,213# 30/50 & TAIL IN W/ 5000# TLC 20/40. (PUMP 2 SWEEPS. AS PER PROC.) SD ISIP 2903#, FG .81. X-OVER FOR W.L..</p> <p>STG 4) PU 4 1/2, 8K BAKER CBP & 3 3/8, EXP GUN, 23 GM, .36 HOLE SIZE. 90 DEG PHAZING. RIH SET CBP @ 7712', P/U PERF F/</p> <p>7676'-82', 4 SPF, 24 HOLES.</p> <p>7642'-46', 4 SPF, 16 HOLES.</p> <p>POOH. X-OVER FOR FRAC CREW.</p> <p>OPEN WELL 0#. BRK @ 6910# @ 2.7 BPM. SD ISIP 2967#, FG .83. BEG FRAC, PUMP 101,557# 30/50, TAIL IN W/ 5000# TLC 20/40. (PUMP 125 BBL SWEEP AS PER PROC.) SD ISIP 2807#, FG .81. X-OVER FOR W.L..</p> <p>STG 5) PU 4 1/2, 8K BAKER CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. RIH SET CBP @ 7554'. P/U PERF F/</p> <p>7558'-66', 4 SPF, 32 HOLES.</p> <p>7470'-72', 4 SPF, 8 HOLES.</p> <p>POOH. X-OVER FOR FRAC CREW. OPEN WELL 70#. BRK @ 4381# @ 3 BPM. SD ISIP 2764#, FG .81. PUMP 83,092# 30/50 & TAIL IN W/ 5000# TLC, 20/40. (PUMP 125 BBL SWEEP AS PER PROC. SD AFTER SWEEP MAKE REPAIR T/ HAMMER UNION. CONT FRAC AS PER DESIGN.) SD ISIP 2789#, FG .81. X-OVER FOR W.L..</p> <p>PU 4 1/2, 8K BAKER CBP & WEIGHT BAR. RIH SET CBP @ 7420'. POOH. RDMO CUTTERS & WEATHERFORD FRAC SERV.</p>
10/9/2008	SUPERVISOR: DAVID DANIELS						
7:00	- 7:30	0.50	COMP	48		P	HSM.

7:30 - 17:00 9.50 COMP 44 C P

OPEN WELL 0#. ND FRAC V. NU BOP. RU TBG EQUIP. PU 3 7/8
BIT + X-DART + POBS + XN-NIPPLE. RIH W/ TBG TAG FILL @
7410'. RU DRL EQUIP, BRK CONV CIRC.

CBP 1) TAG FILL @ 7410' = 1' OF FILL. DRL OUT CBP @ 7420' IN
8 MIN, 250# INCR. CONT RIH.

CBP 2) TAG FILL @ 7564' = 30' FILL. DRL OUT CBP @ 7594' IN 8
MIN, 300# INCR. CONT RIH.

CBP 3) TAG FILL @ 7682' = 30' FILL. DRL OUT CBP @ 7712' IN 10
MIN, 300# INCR. CONT RIH.

CBP 4) TAG FILL @ 7800' = 30' FILL. DRL OUT CBP @ 7830' IN 12
MIN, 200# INCR. CONT RIH.

CBP 5) TAG FILL @ 8003' = 30' FILL. DRL OUT CBP @ 8036' IN 8
MIN, 300# INCR. CONT RIH TAG PBT @ 8290'. RD DRL EQUIP.
POOH, LD 20JTS OF 2 3/8, J-55 TBG. PU 4 1/16 TBG HNGR &
LAND TBG W/

KB	14.00
4 1/16 HNGR	.83
250 JTS 2 3/8, J-55	7818.53
XN-NIPP 1.875	2.20

EOT @ 7835.56

ND BOP, NU WH. DROP BALL. RIG PUMP T/ TBG. BUMP BIT OFF
W/ 20 BBLS 2% KCL. WAIT 30 MIN, OPEN WELL T/ PIT. SICP
1775#, FTP 100#. TURN WELL OVER T/ FBC. RACK OUT RIG
EQUIP. T/ WINDY T/ RD. SDFN.
1ST TWO PERF INTERVALS ARE IN O/H. DID NOT SHOOT
PERFS.

270 JTS ON LOC.
250 JTS IN WELL.
20 JTS GOING BACK.

10/10/2008 SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 1500#, TP 1100#, 20/64" CK, 42 BWPH,
MEDIUM SAND, - GAS
TTL BBLS RECOVERED: 744
BBLS LEFT TO RECOVER: 12222

12:00 - PROD

WELL TURNED TO SALES @ 1200 HR ON 10/10/2008 - FTP 1000#,
CP 1750#, CK 16/64", 2500 MCFD, 1008 BWPD

10/11/2008 SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 2400#, TP 1250#, 24/64" CK, 51 BWPH,
MEDIUM SAND, 1.2M GAS
TTL BBLS RECOVERED: 1928
BBLS LEFT TO RECOVER: 11038

10/12/2008 SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 2075#, TP 1075#, 26/64" CK, 46 BWPH,
MEDIUM SAND, 1.9M GAS
TTL BBLS RECOVERED: 3089
BBLS LEFT TO RECOVER: 9877

10/13/2008 SUPERVISOR: TUCKER CALDWELL

7:00 - 33 A

7 AM FLBK REPORT: CP 1500#, TP 850#, 28/64" CK, 38 BWPH,
TRACE SAND, 2M GAS
TTL BBLS RECOVERED: 4035
BBLS LEFT TO RECOVER: 8931

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well ☐ Oil Well ☒ Gas Well ☐ Dry ☐ Other
b. Type of Completion: ☒ New Well ☐ Work Over ☐ Deepen ☐ Plug Back ☐ Diff. Resvr.,
Other: _____

2. Name of Operator
KERR MCGEE OIL & GAS ONSHORE LP3. Address
1368 SOUTH 1200 EAST VERNAL, UTAH 840783a. Phone No. (include area code)
435.781.7024

4. Location of Well (Report location clearly and in accordance with Federal requirements)*

At surface SE/SE 530'FSL, 700'FEL

At top prod. interval reported below

At total depth

14. Date Spudded
08/23/200815. Date T.D. Reached
09/09/200816. Date Completed 10/10/2008
☐ D & A ☒ Ready to Prod.5. Lease Serial No.
UTU-71417

6. If Indian, Allottee or Tribe Name

7. Unit or CA Agreement Name and No.
CA UTU-806668. Lease Name and Well No.
BITTER CREEK 1122-4P9. AFI Well No.
430473975410. Field and Pool or Exploratory
UNDESIGNATED11. Sec., T., R., M., on Block and
Survey or Area SEC. 4, T11S, R22E12. County or Parish
UINTAH, COUNTY13. State
UT17. Elevations (DF, RKB, RT, GL)*
5685'GL18. Total Depth: MD 8280'
TVD19. Plug Back T.D.: MD ~~8290'~~ 8277'OP
TVD20. Depth Bridge Plug Set: MD
TVD

21. Type Electric & Other Mechanical Logs Run (Submit copy of each)

✓ CBL-CCL-GR, SD/ARRAY COMP TRUE REST22. Was well cored? ☒ No ☐ Yes (Submit analysis)
Was DST run? ☒ No ☐ Yes (Submit report)
Directional Survey? ☒ No ☐ Yes (Submit copy)

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20"	14" STEEL	36.7#		40'		28 SX			
12 1/4"	9 5/8" J-55	36#		1890'		555 SX			
7 7/8"	4 1/2 I-80	11.6#		8280'		1490 SX			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2 3/8"	8077'							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) MESAVERDE	7470'	8262'	7470'-8262'	0.36	167	OPEN
B)						
C)						
D)						

27. Acid, Fracture, Treatment, Cement Squeeze, etc.

Depth Interval	Amount and Type of Material
7470'-8262'	PMP 12,966 BBLs SLICK H2O & 496,588# 30/50 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
10/10/08	10/13/08	24	→	0	2152	912			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
28/64	850#	1500#	→	0	2152	912		PRODUCING GAS WELL	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press. SI	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	
			→						

RECEIVED

DEC 08 2008

*(See instructions and spaces for additional data on page 2)

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production →	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate →	Oil BBL	Gas MCF	Water BBL	Gas/Oil Ratio	Well Status	

29. Disposition of Gas (Solid, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top
					Meas. Depth
GREEN RIVER	901'				
MAHOGANY	1580'				
WASATCH	3912'	6208'			
MESAVERDE	6266'	8266'			

32. Additional remarks (include plugging procedure):

33. Indicate which items have been attached by placing a check in the appropriate boxes:

- ☐ Electrical/Mechanical Logs (1 full set req'd.)
 ☐ Geologic Report
 ☐ DST Report
 ☐ Directional Survey
☐ Sundry Notice for plugging and cement verification
 ☐ Core Analysis
 ☐ Other:

34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions)*

Name (please print) SHEILA UPCHEGO

Title REGULATORY ANALYST

Signature

Date 11/25/2008

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Continued on page 3)

(Form 3160-4, page 2)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS
Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE - Other instructions on reverse side.

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		7. If Unit or CA/Agreement, Name and/or No. UTU80666
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		8. Well Name and No. BITTER CREEK 1122-4P
Contact: SHEILA UPCHEGO Email: sheila.upchego@anadarko.com		9. API Well No. 43-047-39754
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-7024	10. Field and Pool, or Exploratory UNDESIGNATED
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T11S R22E SESE 530FSL 700FEL		11. County or Parish, and State UINTAH, COUNTY, UT

12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input checked="" type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

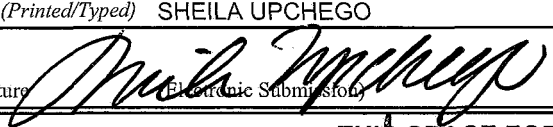
THE OPERATOR REQUESTS AUTHORIZATION TO RECOMPLETE THE SUBJECT WELL LOCATION. THE OPERATOR PROPOSES TO COMPLETE THE WASATCH AND MESAVERDE FORMATION. THE OPERATOR REQUESTS AUTHORIZATION TO COMMINGLE THE NEWLY WASATCH AND MESAVERDE FORMATION ALONG WITH THE EXISTING MESAVERDE FORMATION.

PLEASE REFER TO THE ATTACHED RECOMPLETION PROCEDURE.

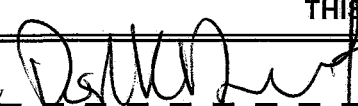
COPY SENT TO OPERATOR

Date: 12.30.2008

Initials: KS

14. I hereby certify that the foregoing is true and correct. Electronic Submission #65296 verified by the BLM Well Information System For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal	
Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS
Signature 	Date 12/04/2008

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved By 	Title <u>Pet Eng</u>	Date <u>12/22/08</u>
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		Office <u>DOG M</u>

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

RECEIVED

**** OPERATOR-SUBMITTED ****
* Cause 210-04

DEC 08 2008

DIV. OF OIL, GAS & MINING

Name: BITTER CREEK 1122-4P

Location: SE SE Sec 4 T11S R22E

Uintah County, UT

Date: 12/01/2008

ELEVATIONS: 5684 GL 5698 KB

TOTAL DEPTH: 8281

PBTD: 8180

SURFACE CASING: 9 5/8", 36# J-55 ST&C @ 1887'

PRODUCTION CASING: 4 1/2", 11.6#, I-80 LT&C @ 8224'

Marker Joint **3822-3843'**

TUBULAR PROPERTIES:

	BURST (psi)	COLLAPSE (psi)	DRIFT DIA. (in.)	CAPACITIES	
				(bbl/ft)	(gal/ft)
2 3/8" 4.7# J-55 tbg	7,700	8,100	1.901"	0.00387	0.1624
4 1/2" 11.6# I-80 (See above)	7780	6350	3.875"	0.0155	0.6528
2 3/8" by 4 1/2" Annulus				0.0101	0.4227

TOPS:

901' Green River

1580' Mahogany

3912' Wasatch

6266' Mesaverde

Estimated T.O.C. from CBL @3300

GENERAL:

- A minimum of **16** tanks (cleaned lined 500 bbl) of recycled water will be required. Note: Use biocide in tanks and the water needs to be at least 45°F at pump time.
- All perforation depths are from Halliburtons Induction-Density-Neutron log dated 9/10/2008
- 4 fracturing stages required for coverage.
- Procedure calls for 4 CBP's (**8000** psi) and 1 Flow Through Plug
- Calculate open perforations after each breakdown. If less than 60% of the perforations appear to be open, ball out with 15% HCl.
- Put scale inhibitor 3 gals/1000 gals (in pad and 1/2 the ramp) and 10 gals/1000 gals in all flushes except the final stage. Remember to pre-load the casing with scale inhibitor for the very first stage with 10 gpt.
- 30/50 mesh Ottawa sand, **Slickwater frac.**
- Maximum surface pressure **6200** psi.
- Flush volumes are the sum of slick water and acid used during displacement (include scale inhibitor as mentioned above). **DO NOT OVERDISPLACE.** Stage acid and scale inhibitor if necessary to cover the next perforated interval.

- Service companies need to provide surface/production annulus pop-offs to be set for 1500 psi for each frac.
- Pump 20/40mesh **resin coated sand** last 5,000# of all frac stages
- Tubing Currently Landed @~7835
- Originally completed on 10/08/2008

Existing Perforations:

MESAVERDE	7470	7472	4	8
MESAVERDE	7558	7566	4	32
MESAVERDE	7642	7646	4	16
MESAVERDE	7676	7682	4	24
MESAVERDE	7755	7760	3	15
MESAVERDE	7790	7800	3	30
MESAVERDE	7864	7868	3	12
MESAVERDE	7882	7886	3	12
MESAVERDE	8000	8006	3	18
MESAVERDE	8229	8234	3	15
MESAVERDE	8252	8262	3	30

PROCEDURE:

1. MIRU. Control well with recycled water and biocide as required. ND WH, NU BOP's and test.
2. TOO H with 2-3/8", 4.7#, J-55 (or N-80) tubing (currently landed at ~7835'). Visually inspect for scale and consider replacing if needed.
3. If tbg looks ok consider running a gauge ring to 6901 (50' below proposed CBP). Otherwise P/U a mill and C/O to 6901 (50' below proposed CBP).
4. Set 8000 psi Flow Through Plug at ~ 6831'. Pressure test BOP and casing to 6000 psi.
5. Perf the following with 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	6724	6728	3	12
MESAVERDE	6746	6750	3	12
MESAVERDE	6815	6821	3	18
6. Breakdown perms and establish injection rate (include scale inhibitor in fluid). Spot 250 gals of 15% HCL and let soak 5-10 min. Fracture as outlined in Stage 1 on attached listing. Under-displace to ~6674' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
7. Set 8000 psi CBP at ~6652'. Perf the following 3-3/8" gun, 23 gm, 0.36"hole:

Zone	From	To	spf	# of shots
MESAVERDE	6552	6556	4	16
MESAVERDE	6616	6622	4	24

8. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 2 on attached listing. Under-displace to ~6502' and trickle 250gal 15%HCL w/ scale inhibitor in flush.
9. Set 8000 psi CBP at ~5476'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5436	5446	4	40
10. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 3 on attached listing. Under-displace to ~5386' trickle 250gal 15%HCL w/ scale inhibitor in flush.
11. Set 8000 psi CBP at ~5318'. Perf the following with 3-3/8" gun, 23 gm, 0.36" hole:

Zone	From	To	spf	# of shots
WASATCH	5211	5218	4	28
WASATCH	5285	5288	4	12
12. Breakdown perfs and establish injection rate. Fracture as outlined in Stage 4 on attached listing. Under-displace to ~5161' and flush only with recycled water.
13. Set 8000 psi CBP at ~5161'.
14. TIH with 3 7/8" mill, sliding sleeve, SN and tubing.
15. Mill plugs (DO NOT DRILL FLOW THROUGH PLUG @ 6831') and clean out to 6831. Land tubing at ±6532' and open sleeve unless indicated otherwise by the well's behavior. This well will be commingled at this time.
16. RDMO
17. Clean out well with foam and/or swabbing unit until steady flow has been established from recomplete. Return to production.
18. MIRU
19. Mill flow through plug @ 6851 and commingle well. Land tubing at ~7834'
20. RDMO

For design questions, please call
Curtis Caile, Denver, CO
(406)-490-2742 (Cell)
(720)-929-6194 (Office)

For field implementation questions, please call
Robert Miller, Vernal, UT
4350781 7041 (Office)

Fracturing Schedules
BITTER CREEK 1122-4P Recomplete
Slickwater Frac

Stage	Zone	Feet of Pay	Perfs		SPF	Holes	Rate BPM	Fluid Type	Initial ppg	Final ppg	Fluid	Volume gals	Cum Vol gals	Volume BBLs	Cum Vol BBLs	Fluid % of frac	Sand % of frac	Sand lbs	Cum. Sand lbs	Footage from CBP to Flush	Scale Inhib., gal.	
			Top, ft	Bot, ft																		
1	MESAVERDE	4	6724	6728	3	12	Varied	Pump-in test			Slickwater		0	0	0							43
	MESAVERDE	2	6746	6750	3	12	0	ISIP and 5 min ISIP														66
	MESAVERDE	4	6815	6821	3	18	50	Slickwater Pad			Slickwater	22,106	22,106	526	526	15.0%	0.0%	0	0			63
	MESAVERDE	16	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	41,756	63,863	994	1,521	28.3%	16.9%	26,098	26,098			8
	MESAVERDE	17	No Perfs				50	SW Sweep	0	0	Slickwater	5,250	69,113	125	1,646	0.0%	0.0%	0	26,098			63
	MESAVERDE	1	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	41,756	110,869	994	2,640	28.3%	33.8%	52,195	78,293			0
	MESAVERDE	1	No Perfs				50	SW Sweep	0	0	Slickwater	10,600	121,369	250	2,890	0.0%	0.0%	0	78,293			0
	MESAVERDE	1	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	3,000	124,369	71	2,961	1.9%	3.000	81,293	81,293			0
	MESAVERDE	3	No Perfs				50	Slickwater Ramp	1.5	2	Slickwater	41,756	163,125	994	3,884	28.3%	47.3%	73,073	154,366			0
	MESAVERDE	5	No Perfs				50	Flush (4-1/2")				4,357	167,482	104	3,988				154,366			43
	MESAVERDE	6	No Perfs					ISDP and 5 min ISDP					167,482									286
	MESAVERDE	3	No Perfs																			
	MESAVERDE	1	No Perfs																			
	MESAVERDE	5	No Perfs																			
		66	# of Perfs/stage			42	79.8	<< Above pump time (min)										gal/ft	2,260	2,357	lbs sand/ft	22
2	MESAVERDE	1	6652	6656	4	16	Varied	Pump-in test			Slickwater		0	0	0							
	MESAVERDE	3	6616	6622	4	24	0	ISIP and 5 min ISIP														
	MESAVERDE	2	No Perfs				50	Slickwater Pad			Slickwater	8,606	8,606	205	205	15.0%	0.0%	0	0			26
	MESAVERDE	4	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	16,256	24,863	387	592	28.3%	17.2%	10,160	10,160			24
	MESAVERDE	9	No Perfs				50	SW Sweep	0	0	Slickwater	0	24,863	0	592	0.0%	0.0%	0	10,160			0
	MESAVERDE	1	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	16,256	41,119	387	979	28.3%	34.5%	20,320	30,480			24
	MESAVERDE	1	No Perfs				50	SW Sweep	0	0	Slickwater	0	41,119	0	979	0.0%	0.0%	0	30,480			0
	MESAVERDE	6	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	41,119	0	979	0.0%	0.0%	0	30,480			0
	MESAVERDE	0					50	Slickwater Ramp	1.5	2	Slickwater	16,256	57,375	387	1,386	28.3%	48.3%	28,448	58,929			0
	MESAVERDE	0					50	Flush (4-1/2")				4,245	61,620	101	1,467				58,929			36
	MESAVERDE	0						ISDP and 5 min ISDP					61,620									110
	MESAVERDE	0																				
	MESAVERDE	0																				
	MESAVERDE	0																				
		26	# of Perfs/stage			40	27.3	<< Above pump time (min)										gal/ft	2,250	2,311	lbs sand/ft	1,826
3	WASATCH	1	5436	5446	4	40	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	9	No Perfs				0	ISIP and 5 min ISIP														
	WASATCH	1	No Perfs				50	Slickwater Pad			Slickwater	3,308	3,308	79	79	15.0%	0.0%	0	0			10
	WASATCH	1	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	6,248	9,555	149	228	28.3%	17.2%	3,905	3,905			9
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	9,555	0	228	0.0%	0.0%	0	3,905			0
	WASATCH	0					50	Slickwater Ramp	1	1.5	Slickwater	6,248	15,803	149	376	28.3%	34.5%	7,809	11,714			9
	WASATCH	0					50	SW Sweep	0	0	Slickwater	0	15,803	0	376	0.0%	0.0%	0	11,714			0
	WASATCH	0					50	Slickwater Ramp	0.5	1.5	Slickwater	0	15,803	0	376	0.0%	0.0%	0	11,714			0
	WASATCH	0					50	Slickwater Ramp	1.5	2	Slickwater	6,248	22,050	149	525	28.3%	48.3%	10,933	22,647			0
	WASATCH	0					50	Flush (4-1/2")				3,516	25,566	84	609				22,647			35
	WASATCH	0						ISDP and 5 min ISDP					25,566									63
	WASATCH	0																				
	WASATCH	0																				
	WASATCH	0																				
		11	# of Perfs/stage			40	10.5	<< Above pump time (min)										gal/ft	2,100	2,167	lbs sand/ft	68
4	WASATCH	1	5211	5218	4	28	Varied	Pump-in test			Slickwater		0	0	0							
	WASATCH	1	5285	5288	4	12	0	ISIP and 5 min ISIP														
	WASATCH	1	No Perfs				50	Slickwater Pad			Slickwater	4,950	4,950	118	118	15.0%	0.0%	0	0			15
	WASATCH	1	No Perfs				50	Slickwater Ramp	0.25	1	Slickwater	9,350	14,300	223	340	28.3%	17.2%	5,844	5,844			14
	WASATCH	1	No Perfs				50	SW Sweep	0	0	Slickwater	0	14,300	0	340	0.0%	0.0%	0	5,844			0
	WASATCH	1	No Perfs				50	Slickwater Ramp	1	1.5	Slickwater	9,350	23,650	223	563	28.3%	34.5%	11,688	17,531			14
	WASATCH	1	No Perfs				50	SW Sweep	0	0	Slickwater	0	23,650	0	563	0.0%	0.0%	0	17,531			0
	WASATCH	1	No Perfs				50	Slickwater Ramp	0.5	1.5	Slickwater	0	23,650	0	563	0.0%	0.0%	0	17,531			0
	WASATCH	6	No Perfs				50	Slickwater Ramp	1.5	2	Slickwater	9,350	33,000	223	786	28.3%	48.3%	16,363	33,894			0
	WASATCH	1	No Perfs				50	Flush (4-1/2")				3,369	36,369	80	886				33,894			0
	WASATCH	1	No Perfs					ISDP and 5 min ISDP					36,369									43
	WASATCH	0																				
	WASATCH	0																				
		17	# of Perfs/stage			40	15.7	<< Above pump time (min)										gal/ft	2,000	2,054	lbs sand/ft	0
Totals		118				162	2.2					Total Fluid	287,667	6,849	gals	6,929	bbls	Total Sand	269,836			502

BITTER CREEK 11224P Recomplete
Perforation and CBP Summary

Stage	Zones	Perforations		SPF	Holes		Fracture Coverage		
		Top, ft	Bottom, ft						
1	MESAVERDE	6724	6728	3	12		6657.5	to	6661.5
	MESAVERDE	6746	6750	3	12		6690	to	6691.5
	MESAVERDE	6815	6821	3	18		6694.5	to	6698
	MESAVERDE		No Perfs				6713	to	6729
	MESAVERDE		No Perfs				6747	to	6763.5
	MESAVERDE		No Perfs				6766	to	6766.5
	MESAVERDE		No Perfs				6773	to	6773.5
	MESAVERDE		No Perfs				6782	to	6782
	MESAVERDE		No Perfs				6801	to	6804
	MESAVERDE		No Perfs				6805.5	to	6810
	MESAVERDE		No Perfs				6815	to	6821
	MESAVERDE		No Perfs				6822	to	6825
	MESAVERDE		No Perfs				6857	to	6857
	MESAVERDE		No Perfs				6884	to	6888.5
	# of Perfs/stage				42		CBP DEPTH	6,652	
2	MESAVERDE	6552	6556	4	16		6500.5	to	6500.5
	MESAVERDE	6616	6622	4	24		6508	to	6510.5
	MESAVERDE		No Perfs				6526.5	to	6528
	MESAVERDE		No Perfs				6532	to	6535.5
	MESAVERDE		No Perfs				6548	to	6557
	MESAVERDE		No Perfs				6584.5	to	6584.5
	MESAVERDE		No Perfs				6590	to	6590
	MESAVERDE		No Perfs				6616	to	6622
	# of Perfs/stage				40		CBP DEPTH	5,476	
3	WASATCH	5436	5446	4	40		5437	to	5437.5
	WASATCH		No Perfs				5439	to	5447.5
	WASATCH		No Perfs				5474	to	5474
	WASATCH		No Perfs				5477.5	to	5478
	# of Perfs/stage				40		CBP DEPTH	5,318	
4	WASATCH	5211	5218	4	28		5153.5	to	5153.5
	WASATCH	5285	5288	4	12		5174	to	5174
	WASATCH		No Perfs				5176.5	to	5176.5
	WASATCH		No Perfs				5192	to	5192
	WASATCH		No Perfs				5195.5	to	5195.5
	WASATCH		No Perfs				5196.5	to	5197
	WASATCH		No Perfs				5202.5	to	5202.5
	WASATCH		No Perfs				5205	to	5205
	WASATCH		No Perfs				5212.5	to	5218.5
	WASATCH		No Perfs				5286.5	to	5287.5
	WASATCH		No Perfs				5296.5	to	5296.5
	WASATCH		No Perfs				5301	to	5301
	# of Perfs/stage				40		CBP DEPTH	5,161	
Totals					162				

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTFORM APPROVED
OMB NO. 1004-0135
Expires: July 31, 2010**SUNDRY NOTICES AND REPORTS ON WELLS**
*Do not use this form for proposals to drill or to re-enter an abandoned well. Use form 3160-3 (APD) for such proposals.***SUBMIT IN TRIPLICATE - Other instructions on reverse side.**

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. UTU71417
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE		6. If Indian, Allottee or Tribe Name
Contact: SHEILA UPCHEGO Email: sheila.upchego@anadarko.com		7. If Unit or CA/Agreement, Name and/or No.
3a. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078	3b. Phone No. (include area code) Ph: 435-781-7024	8. Well Name and No. BITTER CREEK 1122-4P
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Sec 4 T11S R22E SESE 530FSL 700FEL		9. API Well No. 43-047-39754
		10. Field and Pool, or Exploratory UNDESIGNATED
		11. County or Parish, and State UINTAH COUNTY, UT

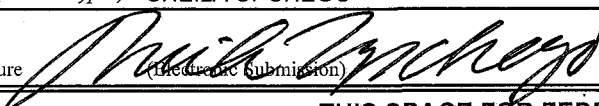
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)	<input type="checkbox"/> Water Shut-Off
<input type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation	<input type="checkbox"/> Well Integrity
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input checked="" type="checkbox"/> Recomplete	<input type="checkbox"/> Other
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon	
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal	

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the site is ready for final inspection.)

THE OPERATOR HAS PERFORMED THE RECOMPLETION ON THE SUBJECT WELL. THE OPERATOR HAS COMPLETED THE NEWLY WASATCH AND MESAVERDE FORMATIONS, THE OPERATOR HAS COMMINGLED THE WASATCH AND MESAVERDE FORMATIONS ALONG WITH THE EXISTING MESAVERDE FORMATIONS. THE OPERATOR HAS PLACED THE SUBJECT WELL LOCATION ON PRODUCTION ON 01/19/2009 AT 10:05 AM.

PLEASE REFER TO THE ATTACHED RECOMPLETION CHRONOLOGICAL WELL HISTORY.

14. I hereby certify that the foregoing is true and correct. Electronic Submission #66483 verified by the BLM Well Information System For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal		
Name (Printed/Typed) SHEILA UPCHEGO	Title OPERATIONS	
Signature  (Electronic Submission)	Date 01/20/2009	
THIS SPACE FOR FEDERAL OR STATE OFFICE USE		
Approved By _____	Title _____	Date _____
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.		
Office _____		
Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.		

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED****RECEIVED****JAN 27 2009**

Wins No.: 95717		BITTER CREEK 1122-4P				API No.: 4304739754	
EVENT INFORMATION:		EVENT ACTIVITY: RECOMPLETION		START DATE: 1/2/2009		AFE NO.: 2029003	
		OBJECTIVE: DEVELOPMENT		END DATE:			
		OBJECTIVE 2: RECOMPLETE		DATE WELL STARTED PROD.:			
		REASON: WAS/MV		Event End Status:			
RIG OPERATIONS:		Begin Mobilization	Rig On Location	Rig Charges	Rig Operation Start	Finish Drilling	Rig Release Rig Off Location
MILES-GRAY 1 / 1							
Date	Time Start-End	Duration (hr)	Phase	Code	Subcode	P/U	Operation
1/7/2009	<u>SUPERVISOR:</u> JD FOREMAN 12:00 - 12:30	0.50	COMP	31		P	<u>MD:</u> ROAD RIG IN TO LOC SPOTIN EQUIP RIG UP MI DELSCO TO PULL PLUNGER EQUIP COULD PULL PLUGER SDFN
1/8/2009	<u>SUPERVISOR:</u> JD FOREMAN 7:00 - 7:30 7:30 - 17:00	0.50 9.50	COMP COMP	48 31		P P	<u>MD:</u> SAFETY MEETING KILL WELL W/ 60 BBL 2% NIPPLE DOWN TREE NIPPLE UP BOP POOH
1/9/2009	<u>SUPERVISOR:</u> JD FOREMAN 7:00 - 7:30 7:30 - 15:00	0.50 7.50	COMP COMP	48 37		P P	<u>MD:</u> SAFETY MEETING MIRU SLUMBERGER WIRE LINE RIH W/ GAUGE RING TO 6900' POOH RIH SET 8K CBP @ 6831' POOH FILL CSG / 7 TEST CSG & FRAC VALVES TO 7500# GOOD TEST RIH W/ 3,3/8 GUNS 23 GM .36 HOLES PERF @ 6724'-28' 3 SPF 6746' 50' 3 SPF 6815'-21' 3 SPF NO BLOW SDFWE
1/12/2009	<u>SUPERVISOR:</u> JD FOREMAN 7:00 - 7:30 7:30 - 18:00	0.50 10.50	COMP COMP	48 36		P P	<u>MD:</u> SAFETY MEETING FRAC STAGE #1 BRK PERF @2694# INJ RT 51 BPM INJ PSI 3600# ISIP 2203# FG .77 FRAC W/ 149428# 30/50 SAND + 5000# RESIN COATED SAND + 2634 BBL SLICKWATER MP 5970# MR 52.5 BPM AP 3586# AR 51 BPM ISIP 2634# FG .83 NPI 431# STAGE #2 RIH STE 8K CBP 6674' PERF @ 6552'-56' 4 SPF 6616'-22' 4 SPF BRK PERF @ 3541# INJRT 51 BPM INJ PSI 5000# ISIP 2740# FG .86 FRAC W/ 52839# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 1528 BBL SLICKWATER MP 5088# MR 51.3 BPM AP 4148# AR 50.9 BPM ISIP 2738# FG .86 NPI -2 STAGE #3 RIH SET 8K CBP @5476" PERF @ 5436'-46' 4 SPF BRK @ 1748# INJ RT 48.9 BPM INJ PSI 3300# ISIP 1599# FG .83 FRAC W/ 17845# 30/50 SAND + 5000# 20/40 RESIN COATED SAND MP 3882# MR 51.3 BPM AP 3221# AR 50.3 BPM ISIP 2124# FG .83 NPI 525# STAGE #4 RIH SET 8K CBP # 5318' PERF @ 521'-18' 4 SPF 5285'-88' 4 SPF BRK PERF @ 2746# INJ RT 50.8 BPM INJ PSI 3800# ISIP 1495# FG .73 FRAC W/ 53563# 30/50 SAND + 5000# 20/40 RESIN COATED SAND + 1321 BBL SLICKWATER MP 3859# MR 51.3 BPM AP 2806# AR 51.1 BPM ISIP 1979# FG .82 NPI 484# RIH SET 8K CBP @5161' RIG DOWN WEATHERFORD & SCHLUMBERGER NIPPLE DOWN VALVES NIPPLE UP BOP TEST BOP TO 2500# GOOD TEST SDFN
1/13/2009	<u>SUPERVISOR:</u> JD FOREMAN 7:00 - 7:30 7:30 - 18:00	0.50 10.50	COMP COMP	48 31		P P	<u>MD:</u> SAFETY MEETING MAKE UP SLIDING SLEEVE MILL RIH TBG @ 5161' RIH UP RDILL EQUIP BRK CIRC DRILL OUT CBP @ 5161' 200# KICK RIH TAG @ 5288' 30' SAND ON CBP DRILL OUT SAND & CBP @ 5318' 300# KICK RIH TAG @ 5446' 30' SAND ON CBP DRILL OUT SAND & CBP @ 5476' 200# KICK RIH TAG @ 6622' 30' SAND ON CBP DRILL OUT SAND & CBP @ 6652' 500# KICK RIH TAG @ 6820' 10' SAND ON PLUG CLEAN OUT TO 6831' TOP OF FLOW THROUGH PLUG PULL & 10 JTS LAND ON WELL HEAD W/ 208 JTS 2,3/8 J-55 TBG EOT 6517.01' NIPPLE DOWN BOP NIPPLE UP TREE PUMP OPEN SLIDING SLEEVE TRUN WELL TO FLOW BACK CREW SDFN TBG DETAIL KB 14.00 HANGER .83 208 JTS 2,3/8 J-55 TBG 6498.14 EOT 6517.01 42 JTS TO YARD

Wins No.: 95717		BITTER CREEK 1122-4P				API No.: 4304739754	
1/11/2009	<u>SUPERVISOR:</u> JD FOREMAN					<u>MD:</u>	
7:00 -		33	A	P	7 AM FLBK REPORT: CP 350#, TP 250#, 20/64" CK, 30 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 2379 BBLS LEFT TO RECOVER: 4621		
1/14/2009	<u>SUPERVISOR:</u> JD FOREMAN					<u>MD:</u>	
7:00 - 7:30	0.50 COMP	48		P	SAFETY MEETING		
7:30 - 17:00	9.50 COMP	31		P	RDMO		
1/15/2009	<u>SUPERVISOR:</u> TUCKER CALDWELL					<u>MD:</u>	
7:00 -		33	A		7 AM FLBK REPORT: CP 300#, TP 150#, 20/64" CK, 30 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3240 BBLS LEFT TO RECOVER: 3760		
1/16/2009	<u>SUPERVISOR:</u> TUCKER CALDWELL					<u>MD:</u>	
7:00 -		33	A		7 AM FLBK REPORT: CP 600#, TP 100#, 20/64" CK, 24 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 3837 BBLS LEFT TO RECOVER: 3163		
1/17/2009	<u>SUPERVISOR:</u> TUCKER CALDWELL					<u>MD:</u>	
7:00 -		33	A		7 AM FLBK REPORT: CP 1550#, TP 200#, 20/64" CK, 18 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4279 BBLS LEFT TO RECOVER: 2721		
1/18/2009	<u>SUPERVISOR:</u> TUCKER CALDWELL					<u>MD:</u>	
7:00 -		33	A		7 AM FLBK REPORT: CP 1850#, TP 750#, 20/64" CK, 25 BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 4842 BBLS LEFT TO RECOVER: 1845		
1/19/2009	<u>SUPERVISOR:</u> TUCKER CALDWELL					<u>MD:</u>	
7:00 -		33	A		7 AM FLBK REPORT: CP -#, TP -#, 20/64" CK, - BWPH, TRACE SAND, - GAS TTL BBLS RECOVERED: 5155 BBLS LEFT TO RECOVER: 1845		

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENTamended
FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. Lease Serial No.
UTU71417

1a. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Dry <input type="checkbox"/> Other			6. If Indian, Allottee or Tribe Name		
b. Type of Completion <input type="checkbox"/> New Well <input checked="" type="checkbox"/> Work Over <input type="checkbox"/> Deepen <input type="checkbox"/> Plug Back <input type="checkbox"/> Diff. Resvr. Other _____			7. Unit or CA Agreement Name and No. CA: UTU-80666		
2. Name of Operator KERR-MCGEE OIL & GAS ONSHORE			8. Lease Name and Well No. BITTER CREEK 1122-4P		
3. Address 1368 SOUTH 1200 EAST VERNAL, UT 84078			9. API Well No. 43-047-39754		
4. Location of Well (Report location clearly and in accordance with Federal requirements)* At surface SESE 530FSL 700FEL At top prod interval reported below SESE 530FSL 700FEL At total depth SESE 530FSL 700FEL			10. Field and Pool, or Exploratory UNDESIGNATED		
14. Date Spudded 08/23/2008			16. Date Completed <input type="checkbox"/> D & A <input checked="" type="checkbox"/> Ready to Prod. 01/19/2009		
15. Date T.D. Reached 09/09/2008			17. Elevations (DF, KB, RT, GL)* 5685 GL		
18. Total Depth: MD 8280 TVD			19. Plug Back T.D.: MD 6831 TVD		
20. Depth Bridge Plug Set: MD TVD			21. Type Electric & Other Mechanical Logs Run (Submit copy of each) N/A		
22. Was well cored? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Was DST run? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis) Directional Survey? <input checked="" type="checkbox"/> No <input type="checkbox"/> Yes (Submit analysis)					

23. Casing and Liner Record (Report all strings set in well)

Hole Size	Size/Grade	Wt. (#/ft.)	Top (MD)	Bottom (MD)	Stage Cementer Depth	No. of Sks. & Type of Cement	Slurry Vol. (BBL)	Cement Top*	Amount Pulled
20.000	14.000 STEEL	36.7		40		28			
12.250	9.625 J-55	36.0		1890		555			
7.875	4.500 I-80	11.6		8280		1490			

24. Tubing Record

Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)	Size	Depth Set (MD)	Packer Depth (MD)
2.375	6517							

25. Producing Intervals

Formation	Top	Bottom	Perforated Interval	Size	No. Holes	Perf. Status
A) WASATCH	5211	5446	5211 TO 5446	0.360	80	OPEN
B) MESAVERDE	6552	6821	6552 TO 6821	0.360	82	OPEN
C)						
D)						

26. Perforation Record

Depth Interval	Amount and Type of Material
5211 TO 5446	PMP 2034 BBLs SLICK H2O & 81,408# 30/50 SD
6552 TO 6821	PMP 5804 BBLs SLICK H2O & 212,267# 30/50 SD

28. Production - Interval A

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/19/2009	01/23/2009	24	→	0.0	1364.0	333.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 930 SI	Csg. Press. 1287.0	24 Hr. Rate →	Oil BBL 0	Gas MCF 1364	Water BBL 333	Gas:Oil Ratio	Well Status PGW	

28a. Production - Interval B

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
01/19/2009	01/23/2009	24	→	0.0	1364.0	333.0			FLows FROM WELL
Choke Size	Tbg. Press. Flwg. 930 SI	Csg. Press. 1287.0	24 Hr. Rate →	Oil BBL 0	Gas MCF 1364	Water BBL 333	Gas:Oil Ratio	Well Status PGW	

(See Instructions and spaces for additional data on reverse side)

ELECTRONIC SUBMISSION #67762 VERIFIED BY THE BLM WELL INFORMATION SYSTEM

** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED **

RECEIVED
MAR 05 2009

DIV. OF OIL, GAS & MINING

28b. Production - Interval C

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

28c. Production - Interval D

Date First Produced	Test Date	Hours Tested	Test Production	Oil BBL	Gas MCF	Water BBL	Oil Gravity Corr. API	Gas Gravity	Production Method
			→						
Choke Size	Tbg. Press. Flwg. SI	Csg. Press.	24 Hr. Rate	Oil BBL	Gas MCF	Water BBL	Gas:Oil Ratio	Well Status	
			→						

29. Disposition of Gas(Sold, used for fuel, vented, etc.)

SOLD

30. Summary of Porous Zones (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

31. Formation (Log) Markers

Formation	Top	Bottom	Descriptions, Contents, etc.	Name	Top Meas. Depth
GREEN RIVER MAHOGANY WASATCH MESAVERDE	901 1580 3912 6266	6208 8266			

32. Additional remarks (include plugging procedure):

33. Circle enclosed attachments:

- | | | | |
|---|--------------------|---------------|-----------------------|
| 1. Electrical/Mechanical Logs (1 full set req'd.) | 2. Geologic Report | 3. DST Report | 4. Directional Survey |
| 5. Sundry Notice for plugging and cement verification | 6. Core Analysis | 7. Other: | |

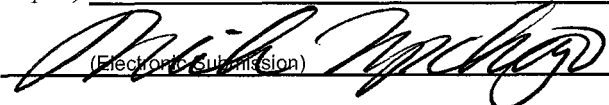
34. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records (see attached instructions):

Electronic Submission #67762 Verified by the BLM Well Information System.
For KERR-MCGEE OIL & GAS ONSHORE L, sent to the Vernal

Name (please print) SHEILA UPCHEGO

Title OPERATIONS

Signature



(Electronic Submission)

Date 03/03/2009

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL ** ORIGINAL **